

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:246
ANSWERED ON:30.03.2012
CHAITRA SAKA LOANS TO TELECOM COMPANIES
Rajesh Shri M. B.;Singh Shri Yashvir

Will the Minister of FINANCE be pleased to state:

- (a) whether the public and private sector banks have disbursed loans to the telecom companies including the ones whose licences have been cancelled by the Supreme Court in the recent past;
- (b) if so, the details thereof, bank-wise and company-wise;
- (c) whether the said banks have taken any guarantee / security for such loans;
- (d) if so, the details thereof and if not, the reasons therefor;
- (e) whether the Government / Reserve Bank of India (RBI) has conducted any inquiry in this regard; and
- (f) if so, the details thereof and if not, the reasons therefor alongwith the other remedial measures taken / being taken by the Government in this regard?

Answer

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE)

(a)to (f): A statement is laid on the Table of the House.

STATEMENT FOR LOK SABHA STARRED QUESTION NO.246 FOR 30th MARCH, 2012 REGARDING LOANS TO TELECOM COMPANIES TABLED BY SHRI YASHVIR SINGH AND SHRI M.B. RAJESH

(a) to (f): The total outstanding credit from Public Sector Banks and Private Sector Banks to Telecom Sector is given as under:

(Rs. In crore)

Bank group	March 2011	December, 2011
Public Sector Banks	71,712.69	66,125.93
Private Sector Banks	13,113.76	10,851.29
TOTAL	84,826.45	76,977.22

Source: latest updated OSMOS database. The bank-wise details as on December, 2011 are at Annex. The banks' total outstanding exposure to companies for 2G related activities (including license fees, roll out of 2G services, erection of towers, capital expenditure and other operational expenditures) as on December 2011 stood at about Rs. 19,135 crore in respect of Public Sector Banks and about Rs. 8,803 crore in respect of private sector banks. These include exposures to companies whose licenses have been cancelled. The cancelled licenses represent certain circle / areas only. Most of the loan accounts were regular as on 1st February, 2012 and by and large secured in the form of various tangible and other securities.