

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4494
ANSWERED ON:19.12.2014
LOAN TO POWER SECTOR
Chandumajra Shri Prem Singh

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has announced a uniform policy for providing financial assistance/loans to power sector;
- (b) if so, the details thereof; and
- (c) the details of loans sanctioned to the power sector during the last three years and the current year, State-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI. JAYANT SINHA)

(a) & (b):- Reserve Bank of India (RBI) has informed that each bank's Board is authorized to frame suitable policies for loans sanctioning / recovery activity. Banks have been advised to prepare a well-defined loan policy approved by their Board of Directors which should lay down exposure limits to individual/group borrowers, documentation standards, margin, security, sectoral exposure limits, delegation of powers, maturity and pricing policies, factors taken into consideration for deciding interest rates etc.

(c) State-wise data of loans sanctioned to the Power Sector is not available. However, the data on outstanding bank credit to power sector for the last three years and current year (upto September 2014), as provided by RBI, is annexed.