

(d) and (e) The Recovery of Debts due to Banks and Financial Institutions Act 1993 was enacted on 27th August, 1993 to provide for the establishment of Tribunals for the expeditious adjudication and recovery of debts due to banks and financial institutions. Nine Debts Recovery Tribunals and an Appellate Tribunal have already been set up. Under Section 25 of the Debts Recovery Tribunal Act, Recovery Officers have been conferred the powers of attachment and sale of movable or immovable property of the defendant.

Deposits Attracting Schemes

*263. COL. SONA RAM CHOUDHARY : Will the Minister of FINANCE be pleased to state :

(a) whether the functioning of non-banking financial companies is adversely affecting the nationalised banks; and

(b) if so, the facts and details thereof and the corrective measures proposed to be taken in this regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The role of Non Banking Financial Companies (NBFCs) in the financial sector is supplementary to the role of banking system in the field of deposit mobilisation and credit dispensation. The resources mobilised by Non Banking Financial Companies are primarily of two types viz. exempted borrowings and regulated deposits, out of which only regulated deposits are similar to bank deposits.

Having regard to the size as well as the diversity of functions of nationalised banks, NBFCs do not have a significant impact on deposit-taking activities of nationalised

banks. Depositors patronise banks for a number of reasons including the comparative safety of deposits as well as the wide variety of services rendered by nationalised banks.

Marketing and Pricing Policy of Coal

*264. SHRI KAMAL NATH : Will the Minister of COAL be pleased to state :

(a) whether there is persistent building up of coal stocks in all the subsidiaries of Coal India Ltd.;

(b) if so, the month-wise increase in Coal stocks vis-a-vis production;

(c) whether this is attributed to ill-conceived marketing and pricing policy of Coal India Ltd.; and

(d) if so, the steps proposed to be taken by the Government to streamline the marketing and pricing policy?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) In 1995-96 and 1996-97 the offtake of coal was greater than the production of coal in Coal India as a whole. In the year 1997-98, however, while the production was 260.68 million tonnes, the offtake was slightly less at 260.05 million tonnes. The closing stock was 27.5 million tonnes. At the end of May, 1998 the closing stock is 25.75 million tonnes. It is therefore not correct to state that there is a persistent building up of stocks in all subsidiaries of Coal India Ltd.

(b) The month-wise opening stock, production and closing stock in the current year is shown in the table below:

(Figs. in Lakh tonnes)

Company	April '98			May '98		
	Opening Stock	Production	Closing Stock	Opening Stock	Production	Closing Stock
ECL	35.91	17.83	30.84	30.84	17.82	28.19
BCCL	59.25	23.38	61.20	61.20	25.26	64.18
CCL	52.04	21.21	46.80	46.80	24.16	45.54
NCL	12.63	24.21	9.30	9.30	25.50	8.72
WCL	22.96	25.71	23.15	23.15	27.31	24.41
SECL	59.88	44.76	57.62	57.62	44.29	54.57
MCL	23.02	35.26	22.90	22.90	34.96	22.07
NEC	9.29	0.94	9.54	9.54	0.50	9.47
CIL	274.98	193.30	261.35	261.35	199.80	257.15

(c) The CIL has adopted a proactive marketing and pricing policy.

(d) CIL and its subsidiaries have taken several steps to improve marketing of coal.

- (i) All power stations seeking linkage of coal for the Ninth Plan have been provided the linkage.
- (ii) A Legally Enforceable Contract to mutual satisfaction has been entered into between CIL group of companies and the Steel Authority of India for the supply of coking coal.
- (iii) Linkages to new consumers and enhancement of linkages to existing consumers have been accorded to the extent of more than 13M.T. per annum.
- (iv) Periodic meetings are held at several places with major consumers such as cement industry, the brick industry etc.
- (v) A Liberalised Sale Scheme has been introduced which enables sale of coal to any consumer from those mines which have large stocks.
- (vi) A "Tatkal" scheme for supply of coal to unlinked customers has been introduced.
- (vii) The coal companies and the Electricity Boards have generally agreed to take up the sampling of coal at the loading end at the power station end in order to promote quality. Further, a model specific contract for supply of coal to power utilities has been evolved.
- (viii) The price of non coking coal has not been increased after 1.4.97 with the exception of marginal increase in the prices of A, B & C grades of coal produced in ECL.

Recovery of Loans

*265. SHRI NARESH PUGLIA :
SHRI A.C. JOS :

Will the Minister of FINANCE be pleased to state :

(a) whether the Nationalised Banks in the country have totally failed to recover loans;

(b) if so, the total outstanding loan amount to be recovered by each nationalised bank as on 30 June, 1998;

(c) whether any instructions have been issued by the Government/RBI to such banks and they have been empowered to recover the said loans in a time bound period; and

(d) if, so the details thereof and other efforts being made to recover the said loans?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) No Sir.

(b) A Statement showing the advances of nationalised banks to be recovered as on 31.3.97 (latest available) is enclosed.

(c) and (d) Banks have been advised to formulate loan recovery policy, reduce NPAs through recovery and negotiate/settlement, set up recovery cells at Head Officers, take recourse to Debt Recovery Tribunals and keep in view the list of defaulters/suit filed accounts. Other steps taken to recover the NPAs are annual discussion with top executives of the nationalised banks, strengthening of credit management, fixing staff accountability etc.

Government had appointed a Committee under the Chairmanship of Shri Pannir Selvam, Chairman, Indian Banks' Association to go into the causes of NPAs and to suggest remedial action. The recommendations of the Committee constitute a valuable input in the ongoing exercise of dealing with the problem of NPAs in banks.

Statement

Advances of Nationalised Banks as on 31 March, 1997

(Rupees in Crores)

Sl.No.	Name of Bank	Amount
1.	Allahabad Bank	4937.90
2.	Andhra Bank	2907.34
3.	Bank of Baroda	16531.63
4.	Bank of India	18336.86
5.	Bank of Maharashtra	3111.34
6.	Canara Bank	14412.83
7.	Central Bank of India	8790.31
8.	Corporation Bank	3014.75
9.	Dena Bank	4043.73
10.	Indian Bank	6864.90
11.	Indian Overseas Bank	7254.02
12.	Oriental Bank of Commerce	4886.42
13.	Punjab National Bank	14066.89
14.	Punjab & Sind Bank	2791.20
15.	Syndicate Bank	5832.48
16.	Union Bank of India	9168.36
17.	United Bank of India	3027.31
18.	UCO Bank	4935.86
19.	Vijaya Bank	2475.28