

If it is now given to the public also, I would like to know about it.

SHRI YASHWANT SINHA : Let me clarify the point. There should not be any confusion.

The list of outstanding loan defaulters of Rs. 1 crore only where legal action has been taken is made public.

SHRI PRITHVIRAJ D. CHAVAN : If that is the distinction, then it is all right. I am sorry.

My supplementary is on the definition of the Non-Performing Assets. In reply to the supplementary put by Mr. Chetan Chauhan, the Minister said that there is no plan to further dilute the definition of NPAs. That is fine. ...*(Interruptions)* But is he not aware, and he referred to that, that international norms for NPAs are only one quarter and not two quarter defaults and also of the statement of the international credit rating agencies like the Moodies and Standard and Poor which have estimated the NPAs of the Indian banking system to be more than 50 per cent, if recognised as per the international norms? Has he estimated the percentage of NPAs of the Indian banking system, particularly the nationalised banking system, as recognised by international norms? You might have estimated by yourself. Is the figure of 50 per cent, as said by Moodies and Standard and Poor, correct?

SHRI YASHWANT SINHA : I do not know where and when Moodies have said that it is 50 per cent according to international norms. We have our norms. While our norms in one respect, namely, in respect of the number of quarters for which the interest or the principal might have remained outstanding, the fact remains that in many other criteria, our norms are even stricter than the international norms. Therefore, I would say that the norms which are applicable to the Indian banks are in no way less rigorous than the norms which are applicable internationally. We are very satisfied with those norms and propose to carry on with them. There is no immediate plan, as I said, to dilute those norms.

[Translation]

SHRI VIRENDRA SINGH : Mr. Speaker, Sir, the Hon'ble Minister of Finance has stated that while sanctioning the loans to domestic companies they laid down this condition that the loan sanctioned for the specified purpose should be used for the same purpose and those companies who do not adhere to these conditions are liable to be punished. But according to my information when the multinational companies enter into business trade, a condition is stipulated that they will

invest money from their own resources but when they do not bring money from their own country, they violate the first condition. They also violate the second condition by not using the money taken as loan for the same purpose which they have drawn from the banks of their own country.

MR. SPEAKER : Please ask your question. Don't take much time.

SHRI VIRENDRA SINGH : If there is not sufficient time, then let this issue be discussed in the House first.

I have got the names of those companies, who have not taken loan from their own countries and drawn loans from the banks. If our country and thus violated the stipulations, whether the Government have taken any action against them or any action is proposed to be taken in this regard. If the Hon'ble Minister of Finance desires, I can call the names of those companies.

SHRI YASHWANT SINHA : Mr. Speaker, Sir, the Hon'ble member has stated that he has got list of such companies. We shall sit together and process the action against those erring companies.

<sup>4-25</sup>  
Dependency of Indian Currency

\*147. SHRI SHANTI LAL CHAPLOT :  
SHRI V.K. KHANDELWAL :

Will the Minister of FINANCE be pleased to state:

- (a) the name of the international currency on which the Indian currency mainly depends in the world market;
- (b) whether the Indian currency depends on dollar even after the circulation of Euro; and
- (c) if so, the action being taken by the Government for better coordination with the European countries?

[English]

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) A statement is laid on the table of the House.

**Statement**

- (a) and (b) A major part of India's international transactions on the current and capital accounts is conducted in the US dollar. The exchange rate of the

rupee against the US dollar is determined in the foreign exchange market in India. Movements in the exchange rate of the rupee also reflect, to some extent, the movements of the US dollar in the international currency markets. The position remains the same even after the launching of the Euro.

(c) Developments in international currency markets and in European economies are being closely and continuously monitored with a view to ensuring co-ordination between macro-economic policies in India and international developments.

[Translation]

SHRI SHANTI LAL CHAPLOT : Hon'ble Mr. Speaker, Sir, I would like to say the Hon'ble Minister of Finance that America is dominating the scene with the help of sanctions. The entire world has been devastated by America. Whether America is called the big power because it has the dominance in the entire world and actively carrying on C.I.A. activities. Whether you consider to give more importance to EURO to curb America and the details of those countries whom we have contacted?

SHRI YASHWANT SINHA : Mr. Speaker, Sir, EURO came into circulation on 1st January, 1999. EURO is still under circulation and the currencies of those countries are under circulation which will be ultimately replaced by EURO. India have made all preparations which are necessarily required for establishing business trade with other countries and have economic relations with them, and Reserve Bank of India has made all preparations for welcoming EURO and dealings with EURO and at present we are raising business deals in EURO.

SHRI SHANTI LAL C. APLOT : Hon'ble Mr. Speaker, Sir, today the exchange rate of dollar against the Indian rupee is Rs. 42.46 whereas the exchange rate of EURO is Rs. 46.76. Today I feel it is much more stonger than dollar and there is no reason that why we should not do business deals in EURO and make an effort to discourage American dollar.

SHRI YASHWANT SINHA : Mr. Speaker, Sir, dollar has great impetus in trade. There is no possibility that dollar will loose its importance in the International market in the near future. So far as EURO is concerned, its use is gradually increasing and as far as rupee is concerned the exchange rate of rupee against the US dollar and EURO is determined in the Foreign exchange. Neither the Government nor RBI determines the exchange rate of rupee.

## WRITTEN ANSWERS TO QUESTIONS

[Translation]

26.30  
Bank Losses

\*141. SHRI MOTILAL VORA : Will the Minister of FINANCE be pleased to state:

(a) whether some nationalised banks have been suffering heavy losses constantly for the last several years;

(b) if so, the details thereof;

(c) the profits/losses incurred by each nationalised bank during the last three years;

(d) whether one of the main reasons for their losses is bad-debts;

(e) if so, whether the Government propose to impose ban/restrictions on the loans being given by the banks which are running at loss;

(f) if so, the details thereof; and

(g) if not, the other steps taken by the Government to made these banks profitable?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) Two nationalised banks have incurred losses as detailed below during each of the last three years:—

(Rs. in crores)

S.No.	Name of the Bank	1995-96	1996-97	1997-98
1.	Indian Bank	1336.40	389.09	301.50
2.	UCO Bank	236.66	176.23	96.22

(c) A statement showing bank-wise Profit and Loss position of nationalised banks of the years 1995-96 to 1997-98 is enclosed.

(d) A high level of NPAs is one of the reasons for losses incurred by public sector banks in the last few years.