

[*Translation*]

Irregularities in Advancing and Waiving of Loans by Nationalised Banks

430. SHRI HARI KEWAL PRASAD:
SHRI SRIKANTA JENA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have received complaints regarding irregularities in grant and waiving of loans by nationalised banks in Ranchi (Bihar), Deoria and Ballia districts of Uttar Pradesh and Cuttack district of Orissa during the last five years;

(b) if so, the details thereof:

(c) whether the Government have conducted any enquiry in this regard;

(d) if so, the outcome thereof;

(e) the number of officers found guilty; and

(f) the action taken or proposed to be taken against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (f). The complaints relating to sanctioning, disbursement and waiver of loans and alleged irregularities by nationalised banks received from various parts of the country including those from Ranchi (Bihar), Deoria and Ballia (U.P.) and Cuttack (Orissa), by Government and RBI are taken up with the concerned public sector banks for remedial action. As regards write off of bad debts and losses and compromise proposals, RBI has advised the banks to delegate powers to its various functionaries for speedier disposal of such cases. During course of inspection of banks, RBI also comes across various deficiencies prevailing in banks

regarding credit appraisal and other matters. Appropriate action in accordance with the laid down rules and procedures is taken by banks against the employees including officers who are found guilty.

12.00 hrs

[*English*]

SHRI EBRAHIM SULAIMAN SAIT (Ponnani) : Is the Home Minister making a statement on Varanasi?

MR. SPEAKER: The Home Minister has come to me and has said that his statement is ready. I said that he should give me a copy and then only will I allow. He is ready.

(*Interruptions*)

MR. SPEAKER : I am calling one after the other. First Shri K. Venkatgiri Gowda.

PROF. K. VENKATGIRI GOWDA (Bangalore South) : I would like to raise a point with regard to the damage caused to the people and the economy of Karnataka by the fury of the cyclonic rains and storms. As everybody knows cyclonic storms and rains lashed Karnataka in October and November this year. The rains were both continuous and torrential. As the saying goes, it did not rain; but poured. The worst affected segments were the low-lying areas of the State. The rivers were in spate and the floods damaged the houses and crops on the banks of the rivers causing incalculable damage to crops and property and death of cattle and sheep. The loss due to floods and rains estimated to be over Rs. 75 crores.

Quite apart from this, the Bangalore city is the worst affected. Over one third of the population of the city lives in slums and

squatter settlements. These slums and squatter settlements consist of houses with mud walls and thatched roofs. Gales blew off the thatched roofs and the incessant rains caused the collapse of the mud walls. These rendered the inmates homeless. I visited some of these areas braving heavy rains. It was a heart-rending sight to see the slum dwellers and their children exposing their bodies to violent gales and lashing rains. Those who were close to temples and Government buildings took shelter there. But such buildings were not many. Those who were far from these buildings had to sit or sleep with the rain with drenched clothes. This has occasioned deep anguish.

Poverty and destitution are there in abundance in India and more so in Bangalore. The torrential rains aggravated poverty and destitution. Many innocent lives were lost not only because of cold wind and weather but also because of the collapse of several buildings. Many took ill and are undergoing treatment. Even the medical aid given to them is scanty and ineffectual. In fact it is a sight for saturns and saddists to see and enjoy with gusto.

Owing to paucity of financial resources the Government of Karnataka could not provide adequate relief. For Bangalore alone Government needs Rs. 20 crores for relief and rehabilitation of the victims. Apart from this, the Government needs about Rs. 60 crores for relief in other areas of the State. Unless a major part of this amount is given to the Government of Karnataka the victims of cyclonic fury have to remain destitute and the economy of the State will have to remain crippled. Delhi makes promises to Karnataka. But Karnataka cannot live on promises. I appeal to the Union Government to make a substantial grant to the Government of Karnataka to enable it to rehabilitate the victims of cyclonic fury and restore the economy of Karnataka to normal health.

SHRIMATI BASAVA RAJESWARI (Bellary): I have given a similar notice. A lot of damage has been caused particularly in the districts of Kolar, Tumkur and Bangalore. Many lives have been lost and houses have been damaged and the entire crop has been damaged. Especially the paddy crop at the time of harvest is damaged. Yesterday only I have heard that a token amount of compensation is sanctioned to Pondicherry, Andhra Pradesh and Tamilnadu and Karnataka has not been considered at the time of sanctioning of some token grant. In the mean time, on the instructions of the Prime Minister, the Railway Minister Shri Jaffer Sharief visited the entire area. I hope that he has already submitted the report about the damage caused to these three districts in these natural calamities. I would request the Central Government to send an expert committee immediately to find out the actual amount of damage caused. In the mean time a token grant of compensation may be sanctioned for the people who are very much affected by the flood and natural calamities.

SHRI K.P. REDDAIAH YADAV (Machilipatnam) : I would like to request the hon. Prime Minister and the Central Government to treat these flood damages in the areas of Andhra Pradesh, Tamilnadu and Karnataka as a natural calamity.

Under this, they have been assisting Rajasthan and Bihar, and the Government of India has taken full responsibility without asking the States to give any assistance. In the same manner, these three States should be taken for reconstruction of the communication network and also for damage to standing crops, etc.

Now I will put before your kind honour that due to unprecedented and torrential rains and floods in the districts of Andhra Pradesh, Tamil Nadu and Karnataka, thousands of people were ruined. Cattle, sheep,