

Writing off of losses of UCO Bank

1411. SHRIMATI VANGA GEETHA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether UCO Bank has decided to write off its Rs.1,751 crore loss against its capital;

(b) the details of the losses during the last three years, year-wise;

(c) whether Government have enquired into the losses suffered by the bank; and

(d) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) Yes, UCO Bank has proposed to Government to write off accumulated losses of Rs.1,751 crores against its paid up capital in the current financial year.

(b) UCO Bank has been earning net profits since 1999-2000. The details of net profits earned by the bank during last three years are as under :

(Rs. in Crore)

| Year ending on 31st March | Amount of Net Profit |
|---------------------------|----------------------|
| 2000 | 36.64 |
| 2001 | 33.00 |
| 2002 | 198.60 |

(c) and (d) Do not arise.

A.S. Ganguly report on supervisory role in private banks

1412. SHRI C.P. THIRUNAVUKKARASU: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have examined the A.S. Ganguly report on supervisory role in private banks;

(b) if so, the details thereof;

(c) whether Government propose to enact legislation to implement the recommendations of the Committee.

(d) if so, the details thereof; and

(e) the steps proposed to be taken for the implementation of eligibility criteria of selection for Directors of private banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) to (e) The report of consultative group of directors of Banks and Financial Institutions headed by Dr. A.S. Ganguly set up by Reserve Bank of India to review supervisory roles of Boards of Banks is under consideration of the Government. The major recommendations of the Group are as under:

(i) appointment of one more whole time director on the Boards of large-sized nationalised banks.

(ii) establishment of appropriate due diligence procedures for appointment of directors on the boards of private sector banks.

(iii) setting up of Nomination Committees of Boards of banks to recommend appointment of independent/non-executive directors.

(iv) building and creation of pool of a professional and talented people for board level appointments in banks and also maintenance of the data for the purpose by Reserve Bank of India etc.

(v) besides above, the recommendations also focus on the role and responsibilities of independent/non-executive directors, their training and remuneration, commonality of directors of banks and NBFCs, information flow to/from the Board, Composition of Financial committees of the Boards, etc.

Improvement in agricultural credit

1413. SHRI H.K. JAVARE GOWDA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that credit to agriculture continue to be below the target;

(b) if so, what steps Government propose to take to achieve the target;