

16th July, 1998. The Company has been advised by RBI on 4th October, 1999 that the progress reported for the June, 1999 quarter is not upto the desired extent in the areas concerning recovery of NPAs, sale of non-productive real estates, closure of loss making subsidiaries, reduction in management expense, rationalization of staff, increase in productivity etc. The Company has further been advised to explore avenues to raise its capital base. A comprehensive inspection addressing all the supervisory concerns as well as the quality and quantity of achievements under the turn around plan has since been undertaken by RBI.

Branch of Commercial Bank at Banka and Godda in Bihar

2065. SHRI JANARDAN YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact the there is no branch of commercial bank at Banka and Godda districts in Bihar; if so, the reasons therefor;

(b) whether Government proposed to make any action plan for the extension of banking facilities in the hilly region in Bihar; if so, the details thereof; and

(c) whether Government propose to open a branch extension counter of commercial bank and others at Godda and Banka?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) As on the last Friday of March 1999, 61 offices of commercial banks were functioning in Banka District and 58 offices in Godda District of Bihar.

(b) and (c) Under the Extant Branch Licensing Policy of Reserve Bank of India, the decision for opening branches at a particular center including in the hilly regions has been left to the discretion of the banks themselves, subject to getting prior licence from RBI.

Achievements of NABARD

2066. SHRI NILOTPAL BASU:
SHRI DIPANKAR MUKHERJEE:

Will the Minister of FINANCE be pleased to state: