

Scheme for Equipment and Components and Direct Assistance Schemes for Marketing Development and Infrastructure Ancillary and Subcontracting units.

(b) and (c) SIDBI being an All India Institution, formulates its policies and procedures which are applicable uniformly all over the country. The operations of SFEs are reviewed periodically by their Board of Directors. IDBI & SIDBI hold annual business plan and resource forecast discussion with SFCs. Further a team of officials of IDBI visit SFCs each year and review their operations for taking necessary remedial action by all concerned on the recommendations/suggestions made.

Resource crunch being: faced by MP Coop Financial Institution

2606. SHRI SURESH PACHOURI: Will the Minister of FINANCE be pleased to state:

(a) whether Cooperative Financial Institutions in Madhya Pradesh are facing serious resource crunch on account of poor loan recoveries:

(to) if so, what are the details thereof;

(c) whether any penal action has been taken against defaulters; and

(d) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) The National Bank for Agriculture and Rural Development (NABARD) has reported that Madhya Pradesh Land Development Bank is having resource problems due to poor loan recoveries. The recoveries in cooperative credit structure were down by at least 10 to 15 percentage due to crop damages in certain districts and also due to State Government's publicity through press etc., for postponement of bank loan dues. Due to the poor recovery performance, the SLDB failed to meet the commitment to NABARD in repayment of dues on due dates. As a part of the financial discipline, NABARD does not provide any refinance assistance to the defaulting banks. The Madhya Pradesh State Land Development Bank (MPSLDB) defaulted a sum of Rs. 1750 crores on 30.6.93 to NABARD.

(c) and (d) As per the information available, the position of filing cases under Section 14 (attachment of movable property) and Section 18 (attachment of immovable property) of MPSLDB Act during the last HTS was as under:

(Amount in lakhs of Rs.)

| Cooperative Year | Recovery of loans | | | |
|-------------------------------|----------------------------|--------|----------------------------|---------|
| | Under Section 14 of MPSLDB | | Under Section 18 of MPSLDB | |
| | No. of cases | Amount | No. of cases | Amount |
| 1988-89 | 22442 | 378.86 | 22811 | 711.18 |
| 1989-90 | 5983 | 154.56 | 1957 | 117.81 |
| 1990-91 | 38498 | 985.80 | 33585 | 1370.09 |
| 1991-92 (11-3-1992) | 19531 | 640.06 | 15989 | 505.83 |