this scheme to allow QFIs to directly invest in Indian Equity Market. As announced in Budget 2012-13, QFI can now also invest in corporate bonds.

- The limit for FII investment in long-term corporate bonds issued by the companies in the infrastructure sector was raised from USD 5 billion to USD 25 billion in March 2011.
- In November 2011, the limit for FII investment in Government Securities and Corporate bonds was raised by USD 5 billion each, thus raising the cap for FII Investment to USD 15 billion in Government Securities and to USD 20 billion in Corporate bonds.
- On June 25, 2012, the FII limit for investment in Government Securities was further enhanced by USD 5 billion raising the cap to USD 20 billion.

Loan to JP Associates with guarantee

†2073. SHRI NARESH AGRAWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that JP Associates has taken 45 thousand crore loan from nationalised banks;

(b) whether it is a also a fact that banks have given this loan without obtaining collateral guarantee which, as per terms and conditions bank cannot do; and

(c) whether it is also a fact that JP Associates is not repaying this amount; if so, the guilty individuals thereof, and the action taken by Government against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) In accordance with the practices and usages customary amongst the banks and in conformity with provisions of statutes governing the financial institutions as also the provisions of the Public Financial Institutions (Obligations as to Fidelity and Secrecy) Act, 1983, information relating to the details of the individual borrower of the banks is not divulged. Public Sector Banks (PSBs) are governed by their Board driven policies. They have been advised by the Reserve Bank of India (RBI) to prepare a well-defined loan policy approved by their

† Original notice of the question was received in Hindi.

Board of Directors which should lay down exposure limits to individual/group borrowers, documentation standards, margin, security, sectoral exposure limits, delegation of powers, maturity and pricing policies, etc.

Status of non-performing assets

2074. SHRI BAISHNAB PARIDA: Will the Minister of FINANCE be pleased to state:

(a) the status of Non-Performing Assets (NPAs) in the country;

(b) whether Government is working on certain measures for fast recovery of such loans;

(c) if so, the details thereof;

(d) whether Government has evolved certain strategy to control such losses henceforth; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) The Gross Non-Performing Assets (NPAs) of the Public Sector Banks (PSBs) as on June 2012 stand at Rs. 1,23,462 crore which amounts to 3.48% of their Gross Advances (provisional data).

(b) to (e) Banks are required to monitor their NPAs and take steps to bring them down through recovery/other channels. Reserve Bank of India also monitors the NPA levels in banks. This aspect is reviewed during Annual Financial Inspections of banks and monitored on an ongoing basis through regulatory returns submitted by banks and periodical meetings with banks. The channels of recovery available to banks include recourse to Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, Debt Recovery Tribunals, Lok Adalats etc.

The Government has advised PSBs to take a number of new initiatives to increase the pace of recovery and manage NPAs, which include appointment of Nodal officers for recovery, to conduct special drives for recovery of loss assets, to put in place early warning system, to replace system of post dated cheques with Electronic Clearance System (ECS) and to proactively pursue the loan issues with State Governments.