

Irregularities in derivatives trade

2048. SHRI ARVIND KUMAR SINGH:

SHRI PRABHAT JHA:

SHRIMATI KUSUM RAI:

DR. PRADEEP KUMAR BALMUCHU:

Will the Minister of FINANCE be pleased to state:

(a) the details of the cases of irregularities in derivatives trade in the country reported during the current year, so far, bank-wise;

(b) whether Government has formulated and issued guidelines for derivatives trade during the current financial year in view of large scale irregularities therein; and

(c) if so, the salient features thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Reserve Bank of India (RBI) has informed that the inspection of banks for the current year is under progress and the RBI is yet to finalise the reports and crystallise the findings.

(b) and (c) RBI issued Comprehensive Guidelines on Derivatives on April 20, 2007 which provide the details on various issues relating to derivatives such as broad principles for undertaking derivative transactions, Risk Management and Corporate Governance aspects, Suitability and Appropriateness policy, Documentation, Identification of Risk, Risk Measurement etc.

Interest free loans to farmers

2049. SHRI RAM KRIPAL YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether Government has any plan to provide interest free loans to the farmers like few States are providing this facilities in their States; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) No Sir.

(b) Does not arise.