

Loan to J.P. Associates from Nationalised banks

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

(a) whether J.P. Associates has taken a loan of Rs. 45 thousand crores from Nationalised banks;

(b) whether it is a fact that these banks have given loan without any collateral guarantee and whereas as per terms they could not do so;

(c) whether it is also a fact that J.P. Associates is not returning the money; and

(d) if so, the persons responsible for it and the action taken by Government against erring persons?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (d) 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 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.

Termination of AGM(G) Kendriya Bhandar

41. PROF. ANIL KUMAR SAHANI: Will the PRIME MINISTER be pleased to state:

(a) whether the services of AGM(G), Kendriya Bhandar has not yet been terminated despite DoP&T directions dated 16 July, 2012 under section 122 of MSCS Act, 2002;

(b) if so, reasons therefor;

(c) what action does Government propose to take against BoD for not following their directions;

†Original notice of the question was received in Hindi.