

Blacklisting of loan defaulters

*355. SHRI ARVIND KUMAR SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether public sector banks extend loan facility to those borrowers who had defaulted or fraudulently secured loans and have been charge-sheeted for the same;

(b) if so, the details thereof and the rationale therefor;

(c) whether Government would blacklist those borrowers who have defaulted/fraudulently secured loans from banks and strict instructions would be issued to banks that those borrowers who had fraudulently secured loans and who have been charge-sheeted for the banking frauds would not be extended any loan facility in view of alarming increase in Non-Performing Assets (NPA), if so, details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d) RBI Master Circular on Wilful Defaulters dated July 1, 2013 provides that no additional facilities are to be granted by any bank/FI to the listed wilful defaulters. In addition, where banks / FIs have identified siphoning/diversion of funds, misrepresentation, falsification of accounts and fraudulent transactions, such borrowers are debarred from institutional finance for floating new ventures for a period of 5 years from the date their names are published in the list of wilful defaulters by the RBI. The legal process including criminal proceedings wherever warranted, against the borrowers/guarantors and foreclosure of recovery of dues are initiated expeditiously. To prevent the access to the capital markets by the wilful defaulters, the list of wilful defaulters (non-suit filed and suit filed accounts) are forwarded to SEBI by RBI and Credit Information Bureau (India) Ltd. (CIBIL) respectively.

RBI collates and disseminates, information about the non-suit filed defaulting borrowal accounts of Rs. 1 crore and willful defaults of Rs. 25 lakh and above, to banks and FIs for their confidential use. Section 45 E of the Reserve Bank of India Act, 1934 prohibits the Reserve Bank from disclosing 'credit information' except in the manner provided therein. Similar information in respect of suit-filed cases is available on the websites of the four Credit Information Companies (CICs) viz. (i) Experian Credit Information Company of India Private Limited, (ii) Equifax Credit

Information Services Private Limited, (iii) High Mark Credit Information Services Private Limited and (iv) Credit Information Bureau (India) Limited (CIBIL).

RBI Master Circular on Frauds - Classification and Reporting, dated July 1, 2013, states that on receipt of fraud reports by RBI and bank boards, various steps are initiated including reporting the case to CBI/Police/SFIO, staff accountability, recovery, insurance claim and streamlining the system so that frauds do not recur. Further, Caution advices are issued to banks by RBI Central Fraud Monitoring Cell. In addition, third parties and professionals are also held accountable if they have played a vital role in credit sanction/disbursement or facilitated the perpetration of frauds. Banks also report to Indian Banks Association (IBA) the details of such third parties involved in frauds.

RBI Master Circulars mentioned above are updated from time to time to handle the cases of wilful defaulters and fraudulent borrowers arising in the banking sector.

Better medical facilities in rural areas

*356. SHRIMATI NAZNIN FARUQUE: Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) whether it is a fact that a majority of about 700 million people live in rural areas of the country where the condition of medical facilities is deplorable;

(b) if so, the reasons therefor; and

(c) the details of steps being taken by Government to provide better medical facilities in rural areas of the country?

THE MINISTER OF HEALTH AND FAMILY WELFARE (SHRI GHULAM NABI AZAD): (a) to (c) As per Census 2011, 83.3 crore people live in rural areas. They are being served by an existing public health network that comprises of 148366 Sub Health Centres (SCs), 24049 Public Health Centres (PHCs) and 4833 Community Health Centres (CHCs). However, there are gaps in terms of infrastructure and human resources.

Public Health is a State subject. However, Government of India launched National Rural Health Mission (NRHM) in 2005 under which financial support is provided to the States/UTs to strengthen the hands of the State/UT Governments. Over Rs. 1 lac crore has been released to the States/UTs so far by Central Government under the Mission to strengthen their health systems including for