

(6) Pondicherry

The Pondicherry Government has enacted its own Law known as the Pondicherry Dramatic Performance Act, 1965 (9 of 1965).

Writing off Bank Loans

1829. SHRI SHANKERSINH VAGHELA
SHRI L K ADVANI
SHRI A VIJAYA RAGHAVAN

Will the Minister of FINANCE be pleased to state

(a) whether the trend of writing off loans of the nationalised banks has been rising during the last three years.

(b) if so, the reasons therefor.

(c) whether banks are protected, under the provisions of the statutes governing them, from disclosing information relating to or to the affairs of their constituents

(d) whether irregularities in granting loans have been perpetrated under the above provisions, and

(e) if so, the action proposed to be taken by Government in this regard?

THE MINISTER OF FINANCE (PROF MADHU DANDEVATE) (a) and (b) The public sector banks consider writing off of bad debts in individual cases on merits of each case, after exhausting legal and other remedies available to them. Banks being credit institutions, some amounts of bad debts do arise despite all systems and procedures to ensure safety of funds lent. Advances may also turn bad due to certain internal the external factors. With a view to reduce the amount of bad debts to the mini-

mum possible, Reserve Bank of India (RBI) has exhorted the banks to strengthen their credit appraisal machinery and exercise close supervision and control over advances

(c) Yes, Sir

(d) and (e) Banks are required to follow the various guidelines issued by Reserve Bank of India from time to time regarding sanctioning of loans. However, representations regarding acts of omission and commission in regards to banks credit operations are received at various levels. Corrective measures are taken by banks in respect of such matters

[*Translation*]

Raids on Economic Offenders and Tax Evaders in Bihar

1830 SHRI RAMASHRAY PRASAD SINGH. Will the Minister of FINANCE be pleased to state

(a) the steps taken by the Government to apprehend economic offenders and tax evaders in Bihar, district-wise, during the last two years,

(b) whether any raids have been conducted in Bihar during the last two years,

(c) if so, the outcome thereof, and

(d) if not, the reasons therefor?

THE MINISTER OF FINANCE (PROF MADHU DANDEVATE) (a) Government have stepped up its efforts against economic offenders throughout the country including Bihar

(b) to (d) The results of Searches/Raids conducted by various Revenue agencies in Bihar are as under