

[English]

Bank Credit

4766. SHRI D. VENKATESWARA
RAO:
SHRI BOLLA BULLI RAMAIAH:

Will the Minister of FINANCE be pleased to state:

(a) whether his Ministry has written to the Reserve Bank of India expressing concern over the stagnation in bank credit to the various sectors;

(b) if so, the details thereof;

(c) whether the Government have pointed out that there has been repeated complaints about the banks' going slow on giving fresh credit to these sectors despite banks' surplus funds;

(d) if so, whether the Reserve Bank of India has replied to the communication;

(e) whether any directives have been issued to the banks in this regard; and

(f) if so, the details and reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c) Yes, Sir. The Government in its letter dated the 19th July, 1993 addressed to the Governor, Reserve Bank of India (RBI) had drawn the attention of RBI to the repeated complaints that banks are not advancing loans to the commercial sector in spite of being flush with funds. The Government had pointed out that they had received complaints that banks were taking exceptionally long time to review the credit limits even for good borrowers despite their comfortable resources position.

(d) RBI has not so far replied to the communication received from the Government.

(e) & (f) While the RBI has not issued any specific directives to commercial banks in this regard, banks have been advised to scrutinise fresh proposals for sanction of additional credit limits expeditiously and meet all genuine productive requirements of the industry.

Funds to BHEL to increase exports

4767. SHRI SOBHANADREESWARA
RAO VADDE: Will the Minister of
FINANCE be pleased to state:

(a) whether the public sector banks propose to provide adequate funds to BHEL for implementation of its plans to increase exports;

(b) if so, the details thereof and if not the reasons therefor;

(c) the action taken or proposed to be taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c) There is no general reluctance of public sector banks to lend to BHEL. Decisions to provide credit in the case of individual projects of BHEL will necessarily depend on factors such as the size and value of the project, extent of facility required, extent of participation of other banks, availability of ECGC cover, country risk of the buyer's country, payment terms and compliance of RBI's prudential accounting norms.

Operation of MI-8 Helicopters at Bombay High

4768. SHRI G. DEVARAYA NAIK:

SHRI TARA CHAND KHAN-
DELWAL:

SHRI V. SREENIVASA PRASAD:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Directorate General of Civil Aviation has relaxed some mandatory on board safety precautions in granting permission for operating MI-8 helicopters of the Pawan Hans Limited;

(b) if so, the details thereof; and

(c) the reasons therefor?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) to (c): MI-8 helicopters have been wet-leased by Pawan Hans Ltd. from