

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3956
ANSWERED ON:09.08.2002
WEST BENGAL STATE COOPERATIVE BANK LTD.
ADHIR RANJAN CHOWDHURY

Will the Minister of FINANCE be pleased to state:

- (a) whether the West Bengal State Co-operative Bank Ltd. has exceeded the threshold limit, while transacting through brokers in Government Securities;
- (b) if so, the details thereof; and
- (c) the action taken by Reserve Bank of India in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE):

(a) to (c) Reserve Bank of India (RBI) and National Bank for agriculture and Rural Development (NABARD) have reported that a quick scrutiny of the investment portfolio of the West Bengal State Co-operative Bank Ltd. conducted during May, 2002 had revealed that broker-wise ceiling of 5 percent of total transaction during a year was often exceeded by the bank, as there were only 10 approved brokers. However, this has not resulted in any financial loss to the bank. RBI has reiterated its instructions to banks to strictly adhere to the standing guidelines in transaction in Government securities.