

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:7404
ANSWERED ON:12.05.2000
IDBPS SUPPORT TO JAIN TV
PRIYA RANJAN DASMUNSI

Will the Minister of FINANCE be pleased to state:

- (a) whether on the eve of Lok Sabha election, 1998, IDBI made any advances or supported any amount to Jain TV;
- (b) whether such decision was taken by the Board of IDBI;
- (c) whether collateral securities were ensured by Jain TV; and
- (d) if so, the estimated value of the collateral security vis-a-vis the amount given by IDBI to Jain TV?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) :

(a) to (d) Industrial Development Bank of India (IDBI) has reported a loan of Rs. 24 crores was sanctioned to Jain Studios Ltd. in September 1999 for a project for setting up Gateway Earth Station and providing home shopping on T.V. Channel, E-Commerce and internet services. IDBI has further reported that against the sanctioned loan, the first part disbursement of Rs. 6 crores was made on April 11, 2000.

The decision regarding financing a particular economic activity by granting loans to individual entities is taken by FIs themselves based on their commercial judgement and the lending policy laid down by their respective boards within the framework of prudential regulations and exposure norms prescribed by RBI from time to time. However, in accordance with the practices and usages customary amongst the banks and financial institution and in conformity with the provisions of statutes governing the financial institutions and the provisions of the Public Financial Institutions (Obligation as to Fidelity and Secrecy) Act, 1983, the information relating to individual units is not supposed to be divulged.