

LOK SABHA DEBATES

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Friday, September 13, 1996/Bhadra 22, 1918 (Saka)

(The Lok Sabha met at one minute
past Eleven of the Clock)

[MR. DEPUTY-SPEAKER in the Chair]

[English]

OBITUARY REFERENCES

MR. DEPUTY-SPEAKER : Hon. Members, I have to inform the House with a deep sense of sorrow, of the passing away of two of our former colleagues, namely, Sarvashri Tek Chand and F.H. Mohsin.

Shri Tek Chand was a Member of First Lok Sabha representing Ambala-Shimla Parliamentary constituency of erstwhile United Punjab during 1952-57.

An advocate by profession, Shri Tek Chand authored several books. Some of his well-known publications are "The Law of Contempt of Court and of Legislature" and "The Law of Legal Practitioners". He also wrote commentaries on 'Punjab Act' and 'Child Marriage Restraint Act'.

He was the Chairman of Book Festival Committee during 1949-52.

Shri Tek Chand passed away at Chandigarh on 16 June, 1996 at the age of 93 years.

Shri F.H. Mohsin was a Member from Third to Seventh Lok Sabha representing Dharwad South Parliamentary constituency of Karnataka during 1962-84.

He was Union Deputy Minister for Home Affairs during 1971-77.

Earlier, he was Member of Mysore Legislative Council during 1956-57 and Mysore Legislative Assembly during 1957-62.

Shri Mohsin actively participated in the Freedom Movement.

An advocate and political worker, Shri Mohsin was also an able and active Parliamentarian. He made valuable contribution to the proceedings of the House. He served as the Chairman of the House Committee and was member of various Parliamentary Committees.

A widely travelled person, Shri Mohsin was a member of the Parliamentary Delegation to the U.A.R., Sudan and Algeria.

Shri F.H. Mohsin passed away on 3 September, 1996 at Bangalore at the age of 74 years.

We deeply mourn the loss of these veterans. I am sure that the House will join me in conveying our condolences to the bereaved families.

The House may now stand in silence for a short while as a mark of respect to the memory of deceased.

11.03 hrs.

The Members then stood in silence for a short while.

ORAL ANSWERS TO QUESTIONS

[English]

Bank Loan Defaulters

*581. SHRI SHANTILAL PURSOTAMADAS PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether attention of the Government has been drawn to the news items appearing in the *Indian Express* dated August 16, 1996 detailing the top business/industrial houses defaulting in the repayment of huge bank loans;

(b) if so, the steps taken to realise this huge money from the defaulters and the outcome thereof;

(c) whether these very companies continue to secure loans notwithstanding their adverse record of repayment;

(d) whether the more deserving companies suffer due to this; and

(e) if so, the corrective steps being taken in the matter ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (e). A Statement is laid on the Table of the House.

STATEMENT

(a) Yes, Sir

(b) On the basis of Reserve Bank of India (RBI's) advice all nationalised banks have laid down a number of policies including loan policy and loan recovery policy. Recovery efforts are to be made by banks on a continuing basis in accordance with their loan recovery policies.

(c) RBI have issued general policy instructions to banks under 'Group Approach' concept in terms of which the banks are at liberty to decide on their own to restrict selectively additional credit facilities to borrowers in a group where they have come across wilful defaults and non-cooperation from the promoters of the group in settling the dues of banks. Invocation of group approach in the aforesaid manner is decided by banks in the light of instructions issued by RBI, no approval or concurrence from RBI is envisaged.

(d) No specific complaint appears to have been received by Government in the recent past to the effect