

**Default Account**

2710. SHRI JANG BAHADUR SINGH PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the number of default accounts in Bank of India's branches at Delhi/New Delhi has risen high;

(b) if so, the total number of default accounts and the amount involved therein in each of the branch of that Bank in Delhi;

(c) whether any responsibility has been fixed on any officials for these accounts;

(d) if not, the reasons therefor; and

(e) the steps taken by the Government to check the rise in default accounts?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) RBI's data monitoring system does not generate such information i.e. bank branchwise and statewise. However, NPAs of Bank of India for the last three years (latest available) are given below :

	(Rs. in crores)	
	Gross NPAs	% of gross advances
1995-96	2434.00	14.49
1996-97	2275.00	11.78
1997-98	2669.00	11.55

(c) to (e) General reasons for incidence of NPAs are deficient credit appraisal, non compliance with the terms of sanction while disbursing, inadequate supervision, wilful default; non viability or sickness of unit due to change in technology, demand pattern, delay in completion of project resulting in cost/time over runs, environmental factors such as pollution central ecological damages, economic slowdown and other economic factors.

Steps have been initiated not only to check the incidence of fresh NPAs but also to ensure the recovery of existing NPAs.

- (i) All public sector banks have documents of loan recovery policy prepared and duly vetted by Board of Directors.
- (ii) Banks have been advised to reduce their NPAs through negotiated settlements to ensure maximum recovery at minimum expenses. However, in this regard precaution is to be taken while arriving at compromising level has also been laid down.
- (iii) Recovery cells have been set up at Head Office under a General Manger and branch-wise targets have been set up by banks. Performance of

branches in recovery is monitored by Head Office on monthly basis and Board of Directors are kept informed of the progress on quarterly basis.

- (iv) Debt Recovery Tribunals at Calcutta, Delhi, Bangalore, Ahmedabad, Chennai, Guwahati, Jaipur, Patna and Jabalpur and an Appellate Tribunal in Mumbai have been set up to assist speedy recoveries of banks dues.
- (v) Compilation and circulation of list of defaulters/suit filed accounts of Rs. 1 crore and above to all Banks and Financial Institutions.
- (vi) The Board of Directors reviewed top 300 NPAs with special reference to the system prevailing in the banks to fix staff accountability.

**Coir Cooperative Scheme**

2711. SHRI G.M. BANATWALLA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government of Kerala has approached the Union Government with the request to continue the centrally sponsored co-operatives scheme during the Ninth Five Year Plan;

(b) if so, the action taken by the Government thereon;

(c) whether there is any proposal to change the Scheme; and

(d) if so, the details thereof and the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (d) Yes, Sir. Government of Kerala approached the Union Government to continue the centrally sponsored scheme of cooperativisation during the Ninth Five Year Plan. Though the Government of Kerala suggested certain changes in the existing scheme, it was decided to continue the scheme on the existing norms and to expand the programmes to other States before introducing any changes in the scheme. During the year 1997-98, Integrated Coir Development Projects for the States of Karnataka and Tamil Nadu were sanctioned by the Government with the same norms and conditions, as were applicable to the scheme, during the VIII Plan.

**Appointment of Suppliers in KVIC**

2712. DR. BIZAY SONKAR SHASTRI : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government are aware that Khadi and Village Industries Commission is not appointing suppliers to make supplies to the Government Department etc. consequent to which handloom towels manufactured elsewhere are being sold to them at higher rates;

(b) if so, the reasons therefor; and

(c) the steps taken by the Government in this regard?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) Yes, Sir.

(b) Khadi and Village Industries Commission is not appointing suppliers for supply of Khadi towels to Government Department because khadi towels are not included in DGS&D Rate Contract. Handloom towels are included in DGS&D Rate Contracts. However, Khadi towels are accorded purchase and price preference in their tenders. Moreover, khadi towels are also supplied to Government Departments through KVIC - certified Institutions on competitive tender basis by the user Government Departments.

(c) Khadi and Village Industries Commission has approached DGS&D for including khadi towels under Rate Contract. DGS&D has insisted on BIS specification which are being drafted.

[Translation]

#### Loan to farmers by public sector banks in Bihar

2713. DR. MADAN PRASAD JAISWAL :  
SHRI MOHAMMAD ALI ASHRAF FATMI :

Will the Minister of FINANCE be pleased to state :

(a) the bank-wise number of branches of public sector banks at present in Bihar;

(b) the bank-wise deposits in these banks during each of the last two years;

(c) the amount of loans sanctioned by these banks in the State every year during the last three years;

(d) the amount of loans sanctioned and actually provided by these banks to the farmers during the above period; and

(e) the amount of loans repaid by the farmers during the above period?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The bank-wise number of branches of public sector banks at present in Bihar and deposits in these banks as on 31.3.1997 and 31.3.1998 as reported by the Bank of India, the Convenor bank for State Level Bankers Committee of Bihar are given in the attached Statement-I.

(c) and (d) The total amount of loan disbursed by these banks (bank-wise) and amount disbursed to agriculture by public sector banks in Bihar during 1995-96, 1996-97, and 1997-98 are given in the attached Statement-II.

(e) The bank-wise recovery of loans under priority sector including agriculture by public sector banks in Bihar during the above period are given in the attached Statement-III.

#### Statement-I

*Bank-wise number of branches and deposits of public sector banks as at the end of March 1997 and March 1998 in Bihar*

Name of Bank	No. of Branches	(Amount in Rs. Lakh)	
		Deposits as on 31.03.97	31.03.98
1. State Bank of India	918	719980	864272
2. State Bank of B & J	9	5072	6969
3. State Bank of Patiala	1	1979	
4. Allahabad Bank	225	116000	138501
5. Andhra Bank	3	2768	2768
6. Bank of Baroda	98	54859	66481
7. Bank of India	386	224355	268372
8. Bank of Maharashtra	1	636	1093
9. Canara Bank	103	117832	139511
10. Central Bank of India	371	194000	229004
11. Corporation Bank	3	5148	5148
12. Dena Bank	9	5288	5490
13. Indian Bank	27	17450	23583
14. Indian Oversea Bank	17	22344	27741
15. Oriental Bank of Commerce	6	4123	4123
16. Punjab National Bank	439	210425	244772
17. Punjab & Sind Bank	10	6823	7194
18. Syndicate Bank	22	16164	18795
19. Union Bank of India	79	56417	65513
20. United Bank of India	110	56780	67550
21. UCO Bank	201	93193	99174
22. Vijaya Bank	8	8457	11770
<b>Total</b>	<b>3046</b>	<b>1940901</b>	<b>2297824</b>