

the States and Union Territories in India would have at least one rural bank in each one of them?

THE MINISTER OF STATE IN-CHARGE OF THE DEPARTMENT OF REVENUE AND BANKING (SHRI PRANAB KUMAR MUKHERJEE): Government of India is prepared to establish at least one Regional Rural Bank in every State. By the end of March 1977, with the establishment of 50 Regional Rural Banks, most of the States would have got at least one Regional Rural Bank.

Bank lending Diversification

1748 SHRIMATI PARVATHI KRISHNAN: Will the Minister of REVENUE AND BANKING be pleased to state:

(a) how far Government have been successful in bank lending diversification; and

(b) what steps Government have taken to make rural banking more effective?

THE MINISTER OF STATE IN-CHARGE OF THE DEPARTMENT OF REVENUE AND BANKING (SHRI PRANAB KUMAR MUKHERJEE): (a) and (b) Deployment of bank credit in accordance with the overall national priorities and enlarging its flow to the small productive endeavours of the small borrowers has been one of the main objectives of bank nationalisation. Accordingly, public sector banks have endeavoured to bring about a qualitative change in the deployment of their funds in the post-nationalisation period. Their outstanding advances to neglected sectors of Agriculture, Small Industry, Road and Water Transport, Self-employment ventures etc. have increased from Rs. 441 crores involving 2.6 lakhs borrowal accounts as at the end of June, 1969, to Rs. 2321 crores involving 41 lakhs borrowal accounts

as at the end of December, 1975. Banks have also extended credit to export trade, the outstanding credit to this sector by all scheduled commercial banks being over Rs. 900 crores as at the end of April, 1976. Public sector undertakings are also being financed by the banks in an increasing measure. As at the end of April, 1976, the Scheduled commercial banks had extended outstanding advances of Rs. 1617 crores to the public food procurement agencies and over Rs. 1200 crores to other public sector undertakings/organisations.

Public Sector banks have registered significant progress in channelising credit into Agriculture. Their aggregate credit to this sector has increased from Rs. 162 crores involving 1.64 lakhs borrowal accounts in June, 1969 to Rs. 936 crores involving over 30 lakhs borrowal accounts as at the end of December, 1975. Banks are continuing their efforts to enlarge their coverage in the rural areas and increase flow of credit into Agricultural sector through adoption of villages, financing of Primary Cooperative Societies, setting up of Farmers' Service societies etc. Setting up of Regional Rural Banks, in the context of the 20-Point Programme, is also expected to contribute significantly towards providing more effective coverage and ensure larger credit availability to the farmers, artisans and craftsmen in the rural areas.

Raids on Posh Flats

1749. SHRI SOMNATH CHATTERJEE: Will the Minister of REVENUE AND BANKING be pleased to state:

(a) how many posh and luxury flats in Bombay, New Delhi and Calcutta were raided by the income-tax authorities during the past six months in search for tax-evaded income;

(b) total tax-evaded income in cash and kinds detected and seized in the course of these raids;

(e) the *modus-operandi* of the tax-evaders buying and selling luxury flats; and

(d) what follow-up action is being taken to bring the tax-evaders to book?

THE MINISTER OF STATE IN-CHARGE OF THE DEPARTMENT OF REVENUE AND BANKING (SHRI PRANAB KUMAR MUKHERJEE): (a) and (b). Statistics in respect of search and seizure operations are maintained by Commissioner of Income-tax chargewise and not city-wise. Statistics regarding posh/luxurious flats searched are not separately maintained.

The number of search and seizure operations conducted in the charges of Commissioners of Income-tax, Bombay, City, Delhi and West Bengal and the value of assets seized as a result thereof during the past six months ended 31-7-1976 are given below:—

Charges of the Commissioner of Income-tax	No. of searches conducted	Value of assets seized
		(Rs. in lakhs)
Bombay (including Central)	230	338
Delhi (including Central)	97	84
Calcutta (including Central)	184	236

Survey of the bigger properties in posh localities has been resumed in June this year in various cities including Bombay, Delhi and Calcutta. As per information available at present, the number of premises surveyed and the estimated value of undis-

closed assets/under valuation reported is:—

Name of City	No. of premises surveyed	Value of undis-closed assets/under-valuation reported
		(Rs. in lakhs)
Bombay	280	82.6
Delhi	103	60.00
Calcutta	40	95.3

(c) The *modus-operandi* employed by tax evaders seems to involve buying and selling of luxury flats in the names of family members from undisclosed income and payment of a part of the consideration in cash, over and above the amount declared.

(d) Action as called for under the law including initiation of penal proceedings is being taken. Wherever warranted, recourse is also taken to provisions of chapter XXA of the Income-tax Act, 1961 for acquisition of properties.

East bound Flights of Air India

1750. SHRI MOHINDER SINGH GILL: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether the Vietnamese Government have made a special exception for Air-India in not allowing its planes to overfly that country in its East bound flights;

(b) if so, the reasons therefor; and

(c) whether any negotiations are going on in this connection?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI RAJ BAHADUR): (a) to (c). Air India along with eight other carriers got permission from the Vietnam Government to