

**Guidlines By Japan Regarding Loans**

\*46. SHRI VIJAY NAVAL PATIL: Will the Minister of FINANCE be pleased to state:

(a) the amount of loans sanctioned by Japan for various projects recently, project-wise;

(b) whether Japan has laid down some conditions for providing loans to India;

(c) If so, the details thereof:

(d) whether the guidelines suggested by

Japan have any bearing on India's defence preparedness; and

(e) If so, the reaction of the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) At the Aid-India Consortium meeting held in Paris during 25-26 June, 1992, the Government of Japan has pledged an amount of Yen 111,908 million as ODA loan to India during 1992-93 as detailed below:

	<i>Projects</i>	<i>Maximum Amount In million Yen</i>
(a)	Yamuna Action Plan Project	17,773
(ii)	Srisaillam Hydro-Electric Project	3,806
(iii)	Anpara B Thermal Power Project (Stage IV)	13,224
(iv)	Gandhar Gas Based Power Project (Stage III)	19,538
(v)	Ammonia Plant Replacement Project	24,482
(vi)	Hydro -Carbon Sector Programme loan	33,085
	Total	111,908

(b) No, Sir.

(c) Does not arise.

(d) No, Sir.

(e) Does not arise.

Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) whether a draw of lots for grant of STA permits under stage carriage scheme has since taken place;

(b) if so, the details of permits granted, category-wise;

**STA Permits**

\*47. SHRI MADAN LAL KHURANA:  
SHRI RAJNATH SONKAR  
SHASTRI:

(c) whether no quota was fixed for the grant of STA permits to ex-servicemen and cooperative societies but all the ex-servicemen who applied for it and found eligible

were given the permits;

(d) if so, the reasons therefor;

(e) the time by which the buses under these permits are likely to start plying; and

(f) whether any machinery is being set up to look into the complaints of the passengers regarding such buses?

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER): (a) Yes, Sir.

(b) Permits have not been issued in view of a pending writ petition.

(c) and (d). Yes, Sir. Under the proviso to section 71(1) of the Motor Vehicles Act, 1988, Permit for a route of 50 Km. or less shall be granted only to an individual or a State Transport Undertaking. Proviso to section 71(3) also stipulates that, other conditions being equal, preference shall be given to an application from, among others, ex-servicemen. In view of this, individual ex-servicemen were given preference.

(e) *This would depend on the date from which permits are issued.*

(f) *The buses when they are put in operation will be subject to the discipline of the Transport Authority and the Delhi Administration.*

[*Translation*]

#### **Audit of Banks**

\*48. SHRI RAMESHWAR PATIDAR:  
SHRI GEORGE FERNANDES:

Will the Minister of FINANCE be pleased to state:

(a) whether in view of the involvement of some banks in the recent securities scam, the Government propose to get the audit of the nationalised banks done by the Comptroller and Auditor General of India or through an independent Audit Commission;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (c). The question of bringing the audit of public sector banks within the purview of Comptroller and Auditor General (C&AG) has been examined in consultation with Reserve Bank of India (RBI). In terms of the statutes governing these institutions, their accounts are required to be audited by auditors who are qualified to act as auditors under the Companies Act, 1956. A system has been evolved whereby the audit of banks is conducted both by internal and external auditors. RBI also conducts periodical inspection of public sector banks. For selecting statutory auditors of public sector banks, a Committee which has a representative of the C&AG has been set up. The committee selects firms of auditors with reference to their experience in conducting bank audit. The existing system of audit and inspection in public sector banks has been working satisfactorily.

Keeping in view these facts, as also the commercial nature of operations of banks, and the need for a proper mix of autonomy and accountability in public sector banks, Government and RBI do not consider it necessary to entrust audit of these organisations to the C&AG of India. However, there is room for streamlining and strengthening of the present system. Accordingly, in the light of the recommendation of the Narasimha committee, it is proposed to set up, under the aegis of the Reserve Bank of India, an inde-