

### Deposits in Public Sector Banks

6430. SHRI P. KUMARASAMY : Will the Minister of FINANCE be pleased to state

(a) the total amount of deposits in public sector banks as on March 15, 1995 and March 31, 1995;

(b) whether the deposits in the public sector banks reduced sharply in the first fortnight of 1995-96 fiscal year,

(c) if so, the details thereof and the reasons therefor, and

(d) the steps taken or proposed to be taken to ensure that the banks do not resort to manipulation of deposits at the end of a fiscal year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHARA MURTHY)

(a) Reserve Bank of India (RBI) has reported that the total amount of deposits of public sector banks as on 17th March, 1995 (15th March, 1995 figures not available) and 31 March, 1995 are as under :

Deposits	
17 3 1995	31 3 1995
Rs. 356188 13 Crores	Rs 372559 14 Crores

(b) and (c) The deposits have declined by 0.94% in the first fortnight of 1995-96 fiscal year. The reasons are not readily available.

(d) The RBI has advised all the commercial banks (in 1989 itself) to ensure that the banks do not resort to manipulation of deposits at the end of the fiscal year,

### Chief Income Tax Commissioner's Conference

6431 SHRI R. SURENDER REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether an annual Conference of Chief Income Tax Commissioners was held recently in Delhi on April 16, 1995,

(b) if so, the details of the participants, subjects discussed, suggestions made by the participants and the decisions taken at the Conference, and

(c) the measures taken/proposed to be taken to implement the decisions taken at the aforesaid Conference?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHARA MURTHY):

(a) Yes, Sir. An all India meeting of the Chief Commissioners of Income-tax was held on 17th and 18th April, 1995 at New Delhi.

(b) All Chief Commissioners and Directors General of Income-tax as well as other senior officers in the

Central Board of Direct Taxes had participated in the meeting. Broadly, the following main subjects were discussed :

- (i) Review of Action Plan, 1994-95 and finalisation of Annual Action Plan, 1995-96,
- (ii) New Scheme of Block Search Assessments,
- (iii) Monitoring of Tax Deduction at Sources,
- (iv) Computerisation/modernisation in the Income Tax Department;
- (v) Presumptive Tax Scheme, and
- (vi) Assessment Procedure etc.

The main suggestions made and decisions taken thereon are as under :

- (i) Record management and house keeping should be prime area of Action Plan, 1995-96,
- (ii) Reporting of correct arrear position,
- (iii) Constitution of Inspection teams for overseeing house-keeping task;
- (iv) Stress on 25% cash collection out of the current demand and 20% out of arrear demand;
- (v) Under the new procedure for Block Search Assessment, the search assessment in respect of searches conducted on or after 17 7 1995 would be completed as per procedure being finalised,
- (vi) Issue of instructions for allotment of new Permanent Account Numbers all over the country and attachment of PAN forms to all return forms
- (vii) Continuation of Presumptive Tax Scheme
- (viii) Continuation of existing guidelines for the current year also for selection of cases for scrutiny, and
- (ix) Immediate identification of 50 offices for upgradation as ideal offices by the Chief Commissions of Income-tax

(c) Most of the recommendations/decisions have been accepted and necessary steps have been taken for their speedy implementation.

### Foundation for Social Action

6432. PROF UMMAREDDY VENKATESWARLU Will the Minister of FINANCE be pleased to state :

(a) whether I.C.I.C.I is setting up a 'Foundation for Social Action',

(b) if so, the details thereof and the reasons therefor, and

(c) the details of the financial status of the foundation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M V CHANDRASHEKHARA MURTHY): (a) to (c). Industrial Credit and Investment Corporation of India Limited (ICICI) has reported that while no final decision has been taken, an idea has been mooted that ICICI should have a "Foundation for Social Service".

#### Exclusion of India from EC Member Countries

6433 SHRI D VENKATESWARA RAO : Will the Minister of COMMERCE be pleased to state

(a) whether industry and trade circles in India are concerned over the exclusion of India from the revised EC member countries,

(b) if so, the details and reasons therefor;

(c) whether India's exclusion from GSP has greatly affected our trade and industry, and

(d) if so, the steps proposed to be taken to meet the situation?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P CHIDAMBARAM) (a) and (b) The new GSP scheme of the European Union entered into force on 1st January, 1995. The scheme is valid for a period of four years i.e. from 1st January, 1995 to 31st December, 1998. The scheme is applied to most products falling within chapters 25 to 97 of the Harmonised System.

The scheme presently applies to 145 countries and 25 territories. The list of beneficiary countries includes India.

An important feature of the new GSP scheme is 'graduation'.

Under the new scheme, countries with a per capita GNP of over US\$ 6000 in 1991 will, in sectors where they have achieved a high degree of trade specialisation, get only 50% of GSP benefits with effect from 1st April, 1995 and will be excluded from GSP benefits in these sectors altogether w.e.f. 1st January 1996. As regards countries with per capita GNP of less than US \$ 6000, they will also get, in sectors where they have achieved a high degree of trade specialisation, 50% of GSP benefits w.e.f. 1st January 1997 and will be excluded from GSP benefits altogether from 1st January 1998.

As regards sectors where there is no high degree of trade specialisation, these benefits will continue.

The graduation mechanism will also apply to beneficiary countries whose exports of products covered by GSP in a given sector exceed 25% of all beneficiary countries' exports to the Community in that sector. For the concerned countries and sectors thus identified, preferential access will end from 1st January 1996.

(c) and (d) India has not been excluded from GSP so far. The impact of the EU's new GSP scheme on our exports will be moderated by the fact that our principal

competitors will be equally affected. The trade statistics for January 1995 show that our exports to EU during the period have increased substantially over the same period in 1994.

#### Factory Act, 1948

6434. SHRI JAGAT VIR SINGH DRONA : Will the Minister of LABOUR be pleased to state :

(a) whether the Union Government have received any request from the Government of Uttar Pradesh for some amendments in the Factory Act, 1948 and Trade Union Act, 1957; and

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

THE MINISTER OF LABOUR (SHRI P.A. SANGMA) : (a) and (b) The Government of U.P. has suggested some amendments in the Trade Union Act, 1957 and the Factories Act, 1948 which have since been examined. While the suggestion regarding the Trade Union Act, 1957 has been included in the Amendment bill which is already before the Parliament, in view of the existing provisions in the Factories Act, 1948, amendment therein was not considered necessary.

#### Air Linked Cities

6435. DR. K.V.R. CHOWDARY : Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state

(a) the names of cities which are air-linked, State-wise,

(b) the names of cities which are proposed to be airlinked during the next three years, and

(c) the steps being taken to expedite the proposed air linking?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD) : (a) The names of cities which are airlinked, State-wise is given in the attached Statement.

(b) and (c) At present Indian Airlines have no plans to introduce services to any new station on the domestic network due to operating crew constraints as also commercial reasons. Private domestic scheduled operators are free to operate to any of the listed 93 airports.

#### STATEMENT

State		Cities
1	2	3
1.	Andhra Pradesh	Hyderabad Visakhapatnam Tirupati Vijayawada