

Textile Mills there has been no additional losses incurred by NTC. All the 11 mills of NTC (U.P) have incurred losses during the first 7 months, i.e., April-October, 1991 of the order of Rs. 24.65 crores. No worker has been rendered out of job due to lock out of Lord Krishna Textile Mills.

(c) and (d). Various alternatives are under consideration of the Government as a long term solution to curtail heavy losses incurred by NTC (UP) and to revitalise them.

Opening of Branches of RRBS at Panchayat Headquarters

1413. SHRI RAM NARAIN BERWA: Will the Minister of FINANCE be pleased to state:

(a) the number of branches of Regional Rural Banks opened during the last three years, State-wise;

(b) whether the Government propose to open branches of Regional Rural Banks at every Panchayat headquarter in the country; and

(c) if so, when?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) State-wise number of branches of Regional Rural Banks opened during the last three calendar years upto November, 1991 are given below:-

<i>Name of State</i>	<i>No. of branches opened during last three years</i>
Andhra Pradesh	31
Arunachal Pradesh	4
Assam	41
Bihar	77
Gujarat	50
Haryana	4
Himachal Pradesh	4
Jammu & Kashmir	12
Karnataka	20
Madhya Pradesh	32
Maharashtra	41
Manipur	5

<i>Name of State</i>	<i>No. of branches opened during last three years</i>
Meghalaya	4
Mizoram	6
Orissa	20
Punjab	47
Rajasthan	27
Tamil Nadu	14
Uttar Pradesh	72
West Bengal	69
Tripura	6

(b) and (c). There is no such policy. However, applications, if received, for opening branches at such centres will be considered by Reserve Bank of India on merits and the norms of their extant branch Licensing policy.

[English]

Income Tax on Co-operatives

1414. **PROF. UMMAREDDY VENKATESWARLU:** Will the Minister of FINANCE be pleased to state:

(a) whether income tax is charged from co-operatives on their interest earnings;

(b) if so, the details thereof;

(c) whether it has an adverse effect on the co-operative movement in the country and in turn the agricultural sector; and

(d) if so, the action taken or proposed to be taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b). Under section 80P of the Income-tax Act, 1961, the whole of the amount of profits and gains of business attributable to a variety of activities of co-operative societies is not liable to income-tax. The whole of the profits and gains of co-operative societies engaged in specified business is exempt from tax. In addition, income of consumers' co-operative societies is exempt from tax upto Rs. 40,000 and in the case of other co-operative societies upto 20,000.

(c) Since, the income of co-operative societies is, by and large, exempt from tax, income-tax does not have an adverse effect.

(d) In view of answer to part (c) of the question, reply does not arise.