

(RBI) indicates that frauds are mainly due to outside elements which resort to false declaration of security, diversion of funds, fake lorry/Railway receipts, disposal of security without the bank's knowledge, counterfeit drafts, false cheques, etc. The connivance or laxity on the part of the bank staff in observing the systems and procedures scrupulously facilitates the commission of such frauds. Non-reconciliation of inter-branch transactions could be construed as one of the reasons facilitating and delaying detection of some frauds.

(b) to (d). According to Reserve Bank of India, the balance sheets of public sector banks for 1983 show that all of them are in arrears in varying degrees in respect of reconciliation of their inter-branch transactions. Banks have been instructed that reconciliation of inter-branch accounts and follow-up and adjustment of the outstanding entries must be given high priority. The Reserve Bank of India, the Government and the boards of directors of the banks have been monitoring the progress and pursuing them to make effective and sustained efforts to keep this area of work up-to-date by streamlining their systems and procedures in this regard, wherever considered necessary.

The total number of entries both as regards credit and debit pending reconciliation relating to the period upto the end of 1981 as on 31st December, 1982 was 323.35 lakhs involving a total amount of Rs. 200169.05 crores. By December, 1983, the number of these entries has been reduced to 295.50 lakhs involving a total amount of Rs. 168909.18 crores.

Delegation of financial powers to top executives of National Financial Institutions

2917. SHRI R. PRABHU : Will the Minister of FINANCE be pleased to state :

(a) whether in the light of recent doubtful advances granted by the local functionaries, Government will generally reconsider existing delegation of financial powers to the Chairmen and Managing Directors of various public sector financial institutions, such as Industrial Development Bank of India, Unit Trust of India, Life Insurance Corporation etc; and

(b) whether Government propose to consider formulating any guidelines for the exercise of the discretionary powers by the top management of national financial institutions ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) At present Government is not reconsidering the existing delegation of financial powers to the Chairmen and Managing Directors of various public sector financial institutions such as Industrial Development Bank of India, Unit Trust of India and Life Insurance Corporation.

(b) There is no such proposal in respect of public sector financial institutions such as Industrial Development Bank of India, Unit Trust of India and Life Insurance Corporation.

Mint at Noida in U.P.

2918. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether Government have decided to set up a mint at NOIDA in U.P.; and

(b) if so, the details thereof and the time by which the construction will start ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir.

(b) An Officer on Special Duty has been appointed for drawing up the project report. The report, when ready, will be processed further with a view to taking appropriate decisions regarding investment, production capacity, technology to be adopted etc. Construction is likely to commence by the end of the year. It is expected that it may take 30-36 months for the Mint to start production.

[*Traslation*]

Loss in Lime Quarries

2919. SHRI HARISH RAWAT : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether in the light of the latest judgement given by the Supreme Court on the case of loss being suffered in lime quarries in Mussorie (Uttar Pradesh) Government propose to amend the existing