

Inspection of First National City Bank's Record by Reserve Bank Inspectors

967. SHRI JYOTIRMOY BOSU : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Reserve Bank Inspectors have recently inspected the first National City Bank's records and have unearthed many unauthorised details initiated by the Bank which has violated Exchange Control regulations, Export Subsidy Rules, accounting procedure and also misused huge funds issued in the name of 'expenses'; and

(b) if so, fullest details thereof and action taken thereon ?

THE MINISTER OF FINANCE (SHRI H. M. PATEL) : (a) and (b). Reserve Bank of India have reported in this connection that they are investigating a complaint from the First National City Bank Employees Association that the City Bank has been evading income-tax issuing fictitious fixed deposit receipt, etc. These investigations are in progress.

The Reserve Bank are expected to take appropriate action in the light of its findings.

Appointment of Top Officials in Public Sector Undertakings

968. SHRI BEDABRATA BARUA : SHRI BHAGAT RAM :

Will the Minister of FINANCE be pleased to state :

(a) whether the appointments of top officials in the public sector undertakings are made in consultation with their administrative Ministries; and

(b) if so, whether there have been any violations of the procedure ?

THE MINISTER OF FINANCE (SHRI H. M. PATEL) : (a) The appointments to the posts of part-time Chairmen, full-time Chairmen, Managing Directors and full-time Directors on the Boards of Directors of Central Government Companies are made by Government in the concerned administrative Ministry. In deciding the matter, Government obtains the recommendations of the Public Enterprises Selection Board.

(b) Does not arise.

Assessment of wealth-Tax and Income-tax of Shri Ved Prakash and Shrimati Krishna Rani of Messrs Himco Laboratories, Sonapat

969. SHRI OM PRAKASH TYAGI : Will the Minister of FINANCE be pleased to refer to reply given to Unstarred question 6752 on the 14th April, 1978 regarding the Capital investment of M/s HIMCO Laboratories, Sonapat. (Haryana) and state:

(a) whether Shri Ved Prakash, (shown at serial No. 2) has been assessed to wealth tax, if so, since when;

(b) what has been the year-wise value of his wealth and the amount of tax paid by him year-wise upto date;

(c) whether Smt. Krishna Rani (shown at serial No. 1) has been paying wealth-tax or income-tax, if so, since when;

(d) what has been the year-wise assessment of both these taxes on her upto date; and

(e) what has been the year-wise value of wealth disclosed by her for the purpose of assessment of wealth-tax ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ZULFIQARULLA) : (a) Shri Ved Prakash has not been assessed to wealth-tax.

(b) Not applicable in view of what has been stated in (a) above.

(c) Smt. Krishna Rani has been paying both income-tax and wealth-tax since assessment year 1968-69.

(d) Year-wise assessment of income-tax and wealth-tax are as under : —