

(b) whether the Government propose to merge these banks for improving their functioning;

(c) whether rural banks are incurring losses in the absence of such a merger;

(d) if so, the details thereof, and

(e) whether the pay-scales revised in 1995 are not being given to the employees of rural banks?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) No, Sir.

(b) In the past, various alternatives including merger were considered for revamping the Regional Rural Banks (RRBs), and a decision has been taken to revitalise them on a "stand alone" basis

(c) and (d). No, Sir. While most of the RRBs are incurring losses, the losses are mainly attributable to high establishment costs, low margins, low business volumes relative to branch network and poor recoveries

(e) Does not arise since no pay revision has been effected in the RRBs in 1995-96

[English]

Duty Evasion by Manufacturers of Polyester Staple Fibre

*55 SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state

(a) whether the anti-evasion Directorate of the Central Board of Excise and Customs (CBEC) has initiated investigations to recover over Rs 1000 crore Central Excise duty allegedly evaded by manufacturers of polyester staple fibre (PSF) and its users

(b) if so, the technique followed in such polyester staple fibre duty evasion.

(c) the outcome of the investigations made, and

(d) the measures taken to prevent such evasion of Central excise duty by these polyester staple fibre manufacturers and its users?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (d) The Directorate General of Anti Evasion of the Central Board of Excise & Customs have initiated investigations on receipt of information against some manufacturers of Polyester Staple Fibres and spinners of yarn. The investigations conducted so far have revealed, prima facie, evasion of Central Excise duty of the order of Rs. 15 crores

Investigations conducted show that the said manufacturers were clearing sub-standard quality of fibre or low as 'waste', attracting lower rate of Central Excise Duty. Some users of such fibres/tow had

claimed that the yarn manufactured by them was not excisable as it contained more than 50% 'waste' in combination with viscose.

Based on investigations conducted so far a show cause notice demanding central excise duty of Rs.24.79 lakhs has been issued to one of the fibre manufacturers. Investigations in respect of others are in progress.

In order to prevent such evasion, steps were taken in the Budget of 1995-96 to amend the duty structure of 'waste' of PSF and all other man-made fibres by placing them under a common sub-head. A minimum excise duty of Rs.10/- per kg. was also prescribed for all such 'wastes'. A further change was made to the effect that the expression 'staple fibre' shall include 'waste' of synthetic staple fibre of filament and waste of artificial staple fibre or filament, so that yarn manufactured even by use of waste fibres pays duty

Tram System in Delhi

*56 SHRI HARIN PATHAK : Will the Minister of SURFACE TRANSPORT be pleased to state

(a) whether the Government have taken any decision for provision of High Speed Tram System in the National Capital Territory of Delhi,

(b) if so, the details thereof and the funds allocated for the purpose, and

(c) the time by which it is likely to be implemented?

THE MINISTER OF SURFACE TRANSPORT (SHRI T. G. VENKATRAMAN) : (a) The proposal for the introduction of High Speed Tram System in the National Capital Territory of Delhi on Build, Operate, Transfer (BOT) basis is under consideration of the Government

(b) and (c) Do not arise

[Translation]

Income Tax Payers

*57 SHRI ANANTH KUMAR : Will the Minister of FINANCE be pleased to state

(a) the total number of income-tax payers during the year 1994-95,

(b) whether the number of income tax payers have increased during 1995-96 over the corresponding year 1994-95,

(c) whether any action has been taken to simplify the income tax process so that revenue earned from income can be increased, and

(d) if so, the details thereof?