

hands of the holding company?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Under section 115JA of the Income-tax Act, the provisions of Minimum Alternate Tax is not attracted in respect of income referred to in Chapter III of the Income-tax Act, which now includes income by way of dividends.

(b) There is no need for any amendment in view of the position of law as stated at (a) above.

Show Cause Notices to Banks Employees of Delhi

2871. SHRI JAI PRAKASH (HARDOI):

SHRI JAI PRAKASH AGGARWAL:

Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the news item captioned "CBI Ne karoron Ki jaalsaaji pakri, 4 giraftar" appearing in the Current News dated 5.3.1997;

(b) if so, the details thereof;

(c) whether the Central Vigilance Commission have detected certain cases of corruption and irregularities in the banking system in the National Capital Territory of Delhi during the last three years;

(d) if so, the details thereof; and

(e) the number of cases registered so far in this regard and the steps taken by the Government to check the cases of corruption in the banks?

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

(b) Central Bureau of Investigation (CBI) have reported that they have registered two cases in September, 1996 and December, 1996 pertaining to frauds in Bhore branch and Daraundha branch of Canara Bank in Bihar. CBI have conducted raids and also arrested six persons including three employees of Canara Bank. According to information furnished by Canara Bank, some miscreants in connivance with employees of the bank had stolen 48 demand draft leaves from the Daraundha branch and Bhore branch of the bank. Subsequently, 20 demand drafts were fraudulently encashed by the miscreants at four branches of the bank involving an amount of Rs. 100 lakhs. The miscreants also attempted to encash two demand drafts amounting of Rs. 10 lakhs from the bank's account section, Mumbai. However, the fraud was averted. The bank has placed three employees under suspension. An amount of Rs. 22.30 lakhs has been recovered by the bank.

(c) to (e) The Central Vigilance Commission (CVC) advises the appropriate disciplinary authority regarding

suitable action to be taken against a public servant concerned where it appears after a preliminary enquiry that a public servant had acted or refrained from acting, for an improper or corrupt purpose. It can also have an inquiry made into any transaction in which a public servant is suspected or alleged to have acted for an improper purpose or in a corrupt manner or into any complaint that a public servant had exercised or refrained from exercising his powers with an improper or corrupt motive or into any complaint of misconduct or lack of integrity or of any malpractice or misdemeanour on the part of a public servant. All public sector banks have vigilance machinery which is headed by a Chief Vigilance Officer appointed by the Government in consultation with the Central Vigilance Commission. The vigilance machinery is responsible for taking preventive and detective steps so as to prevent frauds and corrupt practices by the bank officials.

As per the information readily available number of frauds detected in public sector banks during 1994, 1995 and 1996 are 2266, 1890 and 1954 respectively.

The banks have already laid down various systems, rules, norms and procedures for sanction and disbursal of loans and advances which are also supplemented through various instructions, besides prescribing distinct and definite guidelines on lending powers and use of discretionary authority at various levels. There is also a system of regular and short inspection/audit of branches/offices of the banks with a view of exercising effective supervision and control over the use of discretionary power of lending.

Price of Parazynamide

2872. SHRI AJAY CHAKRABORTY: Will the Minister of FINANCE be pleased to state:

(a) the landed price per Kg. of imported parazy-namide during last three months at Bombay Port;

(b) the landed price per Kg. of parazy-namide on import of 2-Cynopyrizine during last three months;

(c) whether CVD has been imposed on 2-Cynopyrazine and not on parazy-namide whereby making imports of final product payrazynamide lucrative and killing the indigenous industry; and

(d) the reasons therefor and the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The landed price of parazy-namide imported during last three months at Bombay Port has been in the range of Rs. 2200/- per kg.

(b) The landed price of 2-Cynopyrazine imported during last three months has been in the range of Rs.2008/- per Kg.

(c) and (d) CVD is leviable on 2-Cynopyrazine, but is

exempted on Parazynamide, in terms of the Central Excise Tariff. Parazynamide is exempt from Central Excise duty, and therefore from CVD, because it is used in Anti-TB drugs for the National Health Programme. The issue regarding restoration of exemption from payment of Central Excise duty on 2-Cynopyrazine, is under examination in this Ministry, in consultation with Deptt. of Chemicals and Petrochemicals.

Recovery of Loan From Big Industrial Houses

2873. SHRI SAMIK LAHIRI: Will the Minister of FINANCE be pleased to state:

(a) whether there is transaction of Rs. 4.3 lac crores in the 62 thousand branches of Indian Banks;

(b) if so, whether 72% of deposits come from the middle class families;

(c) if so, the details thereof;

(d) whether 80% of the deposits are utilised by the big industrial Houses and they do not repay the loan regularly;

(e) if so, the details thereof alongwith the total amount alongwith interest thereon outstanding against these large industrial houses; and

(f) the steps taken/proposed to be taken by the Government to recover the loans and interest from them.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (e) The Reserve Bank of India (RBI) has reported that its data reporting system does not generate such data/information.

(f) The following steps have been taken by RBI with a view to recover the overdues and reduce non-performing assets (NPAs) in public sector banks:

1. RBI has advised banks to have documents of loan recovery policy prepared and duly vetted by Board of Directors. The policy prescribes the manner of recovery of dues, targetted level of reduction, norms for permitted sacrifices/waiver etc.

2. Reduction of NPAs through compromise/write-offs under negotiated settlements to ensure maximum recovery at minimum expense.

3. Setting up of Recovery Cells at Head Quarter and fixing of branchwise targets for reduction in NPAs. Performance of branches in recovery to be monitored by Head Office on monthly basis and Board of Directors kept informed of the progress on quarterly basis. RBI also monitors reduction of NPAs.

4. Setting up of Debt Recovery Tribunals at Calcutta, Delhi, Bangalore, Ahmedabad, Jaipur, Chennai, Guwahati and Patna and an Appellate Tribunal in Mumbai.

5. Compilation and circulation of list of defaulters/suit filed accounts with outstandings aggregating Rs. One crore and above.

6. Review of top 300 NPAs of public sector banks with special reference to the system prevailing in the banks to fix staff accountability.

Excise Duty on Aerated Waters

2874. SHRI PRATAP SINGH SAINI: Will the Minister of FINANCE be pleased to state:

(a) the rate of excise duty levied on aerated waters in India on different packages;

(b) the rates of excise duty levied on aerated waters in similar packages in Sri Lanka, Bangladesh, Singapore, Thailand and Philippines; and

(c) the total component of excise duty/sales tax and Octroi/Entry Tax on the ultimate selling price of aerated waters in the States of Haryana, Maharashtra and West Bengal?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Aerated waters in all types of packages attract excise duty at the rate of 40% ad valorem;

(b) The rates of excise duty applicable to aerated waters in Sri Lanka, Bangladesh, Singapore, Thailand and Philippines are not readily available;

(c) Rates of sales tax vary from State to State and in respect of entry tax and octroi, it varies from place to place even within the State. Ultimate selling price of aerated water is also not uniform and varies. Therefore, it may not be possible to indicate the total component of excise duty, sales tax, octroi and entry tax in the ultimate selling price.

Per Capita Spending on Social Services

2875. SHRI SAMIK LAHIRI: Will the Minister of FINANCE be pleased to state the per capita spending on Social services during the last three years, year-wise, State and Centre separately?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): A statement indicating the per capita spending on social services during 1992-93, 1993-94 and 1994-95, State-wise and all India is attached.