

(a) whether the inquiry committee constituted by the Reserve Bank of India to investigate the security scam, has submitted its report to the Union Government;

(b) if so, the main findings of the Committee; and

(c) the action taken by the Union Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (c) A Committee was constituted in 1992 by Reserve Bank of India (RBI) under the chairmanship of Shri R. Janakiraman, the then Deputy Governor of RBI to look into securities transactions of banks and financial institutions. Presumably the reference in the question is to the findings and recommendations of the Janakiraman Committee. The Committee had concluded that the irregularities in securities transactions had largely arisen out of the attempts to circumvent the RBI regulations. The committee also noted that the main source of funds for the irregular transactions had been from the corporate sector and particularly public sector undertakings and the device used for circumventing the RBI regulations was through portfolio management scheme and allied schemes. There was also a close nexus between brokers and certain banks which enabled the brokers to have unauthorised access to the funds and also to undertake unauthorised transactions to their advantage. RBI have reported that necessary action has been taken by RBI for implementation of various recommendations of the Janakiraman Committee. The steps taken by RBI include, among others, prescription of adequate safeguards in ready forward transactions, streamlining the functioning of Public Debt Offices in RBI and the Portfolio Management Scheme operations of banks, strict enforcement of rules regarding use of Bank Receipts, issue of guidelines regarding inter-bank securities transactions, laying down norms by individual banks for dealing with approved brokers and review of internal control systems in banks.

Foreign Currency Non-Resident Deposits

3528. SHRI RAMKRISHNA BABA PATIL :
SHRI GURUDAS KAMAT :

Will the Minister of FINANCE be pleased to state :

(a) whether nationalised Banks have started revising the existing rates on their foreign currency non-resident (FCNR) deposits; and

(b) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The information is being collected and will be laid on the Table of the House.

Insurance Sector

3529. SHRI R. SAMBASIVA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government has taken a decision to consider the insurance sector reforms expeditiously;

(b) if so, details thereof;

(c) whether any International Conference on Insurance was held in India recently;

(d) if so, the details thereof;

(e) whether all the recommendations of the Malhotra Committee on Insurance Sector reforms have been considered; and

(f) if so, to what extent these recommendations are likely to be incorporated in the new insurance sector;

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) In the budget speech 1998-99, it has been announced that the insurance sector would be opened to competition from private Indian Companies. The Insurance Regulatory Authority would be converted into a statutory body. Necessary legislation would be introduced later in the year.

(c) and (d) Federation of Indian Chamber of Commerce and Industry organised an International Conference on "Insurance : The case for Liberalisation", on 22nd-23rd April, 1998. The conference was attended by public sector insurance companies, members from private sector and foreign companies, representatives of Insurance Regulatory Authority and the Government.

(e) Yes, Sir.

(f) It has been decided to keep the recommendations in view while Insurance Sector Reforms are introduced from time to time.

Establishment of 'Paryatan Bhawan'

3530. SHRI SADASHIV RAO D. MANDLIK : Will the Minister of TOURISM be pleased to state :

(a) the efforts being made by the Government to simplify the procedure to facilitate tourists to go from Airport to a tourist spot directly;

(b) whether the Government propose to set up Paryatan Bhawans' in the country;

(c) if so, the details thereof, Statewise; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) Tourists arriving at airports on package tours are transferred by cars/coaches to their destinations by Travel Agents/Tour Operators. Cars, pre-paid taxis and coach service to city centres are also available at major airports in the country. Efforts are made to further upgrade and improve these facilities with the help of concerned agencies.

(b) to (d) It is proposed to set up a Bharat Paryatan Bhawan in New Delhi to improve facilitation and information service for tourists. All State Governments have also been requested to establish a Paryatan Bhawan in each State capital for this purpose.

[Translation]

Foreign Tourists

3531. SHRI DATTA MEGHE Will the Minister of TOURISM be pleased to state :

(a) whether our foreign embassies also take some measures so that more and more foreign tourists come to India; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) and (b) The Indian Missions overseas render all possible assistance to all the persons who approach them and who intend to visit India by way of issue of visas and dissemination of information through pamphlets and brochures. It also maintains sections on Indian culture and tourism in its Home Page on internet.

The Govt. of India Tourist Offices overseas work in close coordination with the Missions and synergise their efforts in positioning India as an attractive destination in the niche markets.

[English]

Debt Trap

3532. SHRI PRITHVIRAJ D. CHAVAN Will the Minister of FINANCE be pleased to state :

(a) whether many State Governments are facing debt-trap on account of high indebtedness and low Additional Resource Mobilisation efforts, as reflected in the Debt to Net State Domestic Product;

(b) if so, the States which are likely to be most affected; and

(c) the details of Debt/NSDP figures for the last three years, State-wise?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : The information is being collected and will be furnished.

Banking Ombudsman Scheme

3533. SHRI PRAKASH YASHWANT AMBEDKAR : Will the Minister of FINANCE be pleased to state :

(a) the progress of the 'Banking Ombudsman Scheme' formulated by the Reserve Bank of India;

(b) the number of complaints received, under this scheme;

(c) whether the Apex Bank exercises any surveillance over the redressal of complaints received by Nodal Officers in Public Sector Banks;

(d) if so, the details thereof;

(e) whether the Apex Bank has received any complaint of breach/violation of Citizens' Charter adopted by all the Public Sector Banks; and

(f) if so, the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) Reserve Bank of India (RBI) has formulated the Banking Ombudsman Scheme which came into operation from 14.6.95 for expeditious and inexpensive resolution of customer complaints. RBI has so far appointed 15 Banking Ombudsmen covering all major centres/territories in India. The details of complaints received and handled by Banking Ombudsmen at various centres as on 31.12.97 as reported by RBI is given in the statement.

(c) and (d) Every Public Sector Bank has appointed a Grievance Officer known as Nodal Officer to deal with customer grievances/complaints. The details of these Nodal Officers were published by Indian Banks' Association (IBA) in the news-papers. Board of Directors review the progress of complaints redressed by the respective banks.

(e) and (f) No specific complaint regarding breach/violation of Citizens' charter adopted by the Public Sector Banks has been received by RBI.

Statement

Position of complaints received and handled by Banking Ombudsman at various centres as on 31.12.1997

S. No.	Centre	Total Complaints received	Complaints which are outside the scope of the Scheme	Complaints attended to by B.O.	No. of cases settled
1	2	3	4	5	6
1.	Mumbai	1329	450	879	769