

(a) whether Government are aware that there is a greater need for bringing about all-round improvement in the working of the various branches of State Bank of India in Madhya Pradesh;

(b) if so, the guidelines sent to the Head Office of SBI to bring about changes in the existing services like customer services, maintaining discipline and punctuality in the various branches of SBI in Madhya Pradesh;

(c) the instruction, issued by Head office of SBI to its Madhya Pradesh branches for implementing those guidelines; and

(d) the details of the steps taken to improve the services of SBI branches in Madhya Pradesh ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a). Government have not received any specific complaints about the working of State Bank of India branches in Madhya Pradesh.

(b) to (d). Instructions have been issued by Government from time to time to all public sector banks including State Bank of India emphasising the need for improving customer service, punctuality in attendance, maintenance of discipline, etc. It has been recently impressed upon all the Banks that with a view to making the branches function more effectively, the senior and top executives of banks should make surprise visits to bank branches and offices, particularly before the commencement of office hours and the close of office hours. These steps are expected to improve punctuality, discipline as also customer service.

The State Bank of India has reported that the instructions issued by Government are circulated to all its offices including those in Madhya Pradesh and are being complied with.

Taking over of Visvesvaraya Iron and Steel Ltd., Bhadravathi, Karnataka

4599. SHRI V. S. KRISHNA IYER : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Visvesvaraya Iron and Steel Ltd., Bhadravathi, Karnataka was running under loss during 1984-85;

(b) if so, the causes of the losses; and

(c) whether there is any proposal for taking over of the above concern by the Steel Authority of India Ltd. ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) Yes, Sir.

(b) The major causes for the loss during 1984-85 were : recession in the steel industry, high cost of imported raw materials, power cuts imposed by the Karnataka Electricity Board, increase in power tariff and increase in other variable costs.

(c) A request has been made by the Government of Karnataka to the Government of India for take over of Visvesvaraya Iron and Steel Limited which is under consideration.

Bringing the Liaison Offices Set Up by Foreign Companies within the Purview of Direct Taxes

4600. SHRI CHINTAMANI JENA : Will the Minister of FINANCE be pleased to state :

(a) whether a large number of foreign companies have set up their liaison offices in India;

(b) whether such liaison offices are exempted from paying any income tax or wealth tax although they are earning lot of money in India; and

(c) if so, the action Government propose to take to bring such liaison offices within the purview of direct taxes ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As per figures furnished by the Reserve Bank of India, as on 1.4.1985, there were 282 liaison offices of foreign companies functioning in India.

(b) No, Sir.

(c) Does not arise.