

- (v) Regular follow-up and liaison with the District Authorities and local MPs/MLAs is maintained for evacuation of people from areas declared unsafe;
- (vi) With a view to solving the problem of subsidence and fire in Raniganj and Jharia coalfields in a comprehensive manner, a Committee has been constituted on 19.12.1996 with Secretary (Coal) as the Chairman and representatives of Planning Commission, Ministry of Labour, Govt. of West Bengal and Bihar, Director General Mines Safety (DGMS), Coal India Limited (CIL), Central Mine Planning and Design Institute (CMPDI), Bharat Cooking Coal Limited (BCCL) and Eastern Coalfields Limited (ECL) as members. The Committee held two meetings—one in Delhi and the other in Jharia Coalfield on 6.2.1997 and 7/8.3.1997 respectively. The Committee is expected to submit its report by June, 1997.

[English]

Tenth Finance Commission

*391. SHRI VENKATARAMI REDDY ANANTHA : Will the Minister of FINANCE be pleased to state :

(a) whether the Tenth Finance Commission has not recommended for providing Planning revenue deficit grant to States particularly Andhra Pradesh;

(b) if so, whether the State Governments are likely to face difficulty in mobilising revenue expenditure for planning and lesser resources will be available for planning;

(c) if so, whether the Union Government propose to reconsider to provide additional central assistance to State Governments for financing of the planning and special problems of the State to supplement the resource crunch arising out of not providing the above grant; and

(d) if so, the details thereof, State-wise ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The Tenth Finance Commission has not recommended plan revenue deficit grants to any State.

(b) There is a sizeable increase in the total devolutions to all States under the recommendations of the TFC over the devolutions under the recommendations of Ninth Finance Commission. Thus the revenue resources of all States including revenue resources for planning would improve.

(c) and (d) Gross budgetary support for Central and State plans depends upon the overall availability of resources with the Government of India. The distribution of Central Assistance for State plans is done by the Planning Commission on the basis of a formula. Under these circumstances and in view of the position explained at (b) above, the Govt. do not contemplate the allocation of any additional Central assistance to States over and above what is allocated by the Planning Commission.

Loss/Profit of public sector banks

*392. SHRI BHAKTA CHARAN DAS :
SHRI NAWAL KISHORE RAI :

Will the Minister of FINANCE be pleased to state :

(a) whether public sector banks, as a group, have recorded a net loss of Rs. 371.37 crores during 1995-96 in contrast to a profit of Rs. 115.71 crore in 1994-95;

(b) if so, the details thereof and reasons therefor;

(c) the names of public sector banks which have recorded maximum loss;

(d) the steps taken by the Government to reduce the loss by the public sector banks;

(e) whether the operational profit in the banks has increased during 1995-96 in comparison to 1994-95; and

(f) if so, the details thereof alongwith the reasons for losses in banks inspite of increase in operational profit ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b) Public sector Banks, as a group recorded a net loss of Rs. 371.36 crores during 1995-96 in contrast to a profit of Rs. 115.82 crores during 1994-95. Reasons for PSBs incurring losses during 1995-96 were :

(i) provision for NPAs for 1995-96 and additional provisioning for under provision done for NPAs for earlier years.

(ii) increased provisions for depreciation on investment due to increase in YTM rate; and

(iii) provision for arrears of wages due to wage revision and provision for employees pension.

(c) During 1995-96, Indian Banks reported the highest loss.