

dent Funds, issued by the Government. As per extant guidelines, recognised Provident Funds, approved Superannuation Funds and approved Gratuity Funds are permitted to invest upto 40% of their investible moneys in the bonds and securities issued, *inter alia*, by a Public Financial Institution as defined under Section 4A of the Companies Act, 1956.

Proposal to Merge all relevant Acts

4957. SHRI RUPCHAND PAL : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to merge all relevant Acts relating to the functioning and regulation of Public Sector Banks into one Comprehensive Act; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Following suggestions to have a comprehensive legislation to cover nationalised banks, State Bank of India and the associate banks of State Bank of India, or more uniformity in the provisions of the statutes governing them, a committee consisting of representatives from Reserve Bank of India and some public sector banks has been constituted by the Reserve Bank of India to review the statutes and suggest changes in their provisions. The Committee has been advised to draw up a time schedule for expeditious completion of the assignment.

[Translation]

Letters From MPs

4958. SHRI RAVINDRA KUMAR PANDEY :
SHRIMATI SHEELA GAUTAM :

Will the Minister of FINANCE be pleased to state :

(a) the number of complaints received by the Income Tax Commissioners from the Members of Parliament in regard to the tax evasion during the last three years;

(b) whether any action has been taken on these complaints;

(c) if so, the details thereof; and

(d) if so, the reasons therefor and by when, the suitable action is likely to be taken on the complaints?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) A large number of complaints relating to evasion of Income Tax are received by the Income-tax Department from the Members of Parliament. The number of such complaints received in the Central Board of Direct Taxes are 40 in 1996, 45 in 1995 and 63 in 1994.

(b) to (d) All complaints from the Hon'ble Members of Parliament are treated as VIP references. These are accorded top most priority. Close coordination is maintained with the field authorities to ensure that necessary enquiries are completed and appropriate actions under the Income-tax Act are taken at the earliest.

[English]

Fraud in Canara Bank

4959. SHRI MOHAN RAWALE : Will the Minister of FINANCE be pleased to state :

(a) whether an officer of the Canara Bank siphoned off Rs. 3.18 crore by writing fictitious entries in books;

(b) if so, the details thereof;

(c) whether the said officer has since been arrested and if so, the details thereof;

(d) if not, the reasons therefor;

(e) whether some other officials of the Bank have also been found involved in this fraud; and

(f) if so, the action taken against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (f) Canara Bank has reported that a fraud involving Rs. 3.18 crores was perpetrated by an officer of the Batala branch of the bank by making fictitious entries in the banker's account.

The bank has lodged a complaint with the Central Bureau of Investigation and a case has been registered on 10.9.1996. However, the officer has not been arrested so far and his whereabouts are not known. The investigation conducted by the bank does not reveal complicity of other officials of the bank. However, the bank has initiated necessary departmental action against the concerned officials for negligence/lapses in the performance of their duties.

Recovery of Loan

4960. SHRI CHANDRABHUSHAN SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have set up an advisory committee headed by a retired High Court Judge to devise ways and means of recovering the sticky loans;

(b) the number of individuals to whom the Indian Bank extended loans of various nature during the last three years;

(c) the total amount involved in the said loans and the details of repayment of loans by the said individuals;

(d) the number of individuals for whom the bank has written off the loans;

(e) whether the Government have allowed the merger of the Bank of Thanjavur with Indian Bank; and

(f) if so, the reasons for such merger?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) No such committee has been set up by the Government. However, Indian Bank has set up a Settlement Advisory Committee with a retired judge of the Chennai High Court and retired senior banker and serving General Managers in charge of recovery as members to look into the compromise proposals and advise the board of the bank in the matter.