

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) and (b) Reserve Bank of India (RBI) has reported that banks have been advised from time to time to adhere to the prescribed norms and safeguards while opening accounts and to put in place systems and procedures to help control financial frauds. RBI has instructed banks to be vigilant while opening accounts for new customers. In the light of recent developments, these instructions are being reiterated with a view to safeguarding the banking sector from being unwittingly used for the transfer or deposit of funds derived from criminal activities, (both in respect of deposit and borrowal accounts) or for financing terrorist activities.

Banks are, therefore, being advised by RBI to obtain information about a customer such as source of funds, income and assets and nature and extent of the customer's expected use of the products and services of the bank at the time of opening an account to prepare a 'customer profile'. At the same time, banks are required to ensure that there is no harassment of customers and the customer acceptance policy does not become restrictive in nature leading to denial of access to the general public for banking services.

(c) RBI has further reported that due to recent domestic and international developments it has become necessary to have a check on the undesirable financial transactions particularly relating to money laundering and financing of terrorism etc. which may be against the interest of the country. In this background, creation of a mechanism to have a centralized data base which will be processed in the proposed nodal agency in the form of a Financial intelligence Unit (FIU) is under the consideration of the Government.

#### **Scheme for self-employment of NABARD**

2172. SHRI H.K. JAVARE GOWDA: will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether NABARD had drawn up self-employment scheme for agriculture graduates and unemployed youth in the country; if so, the details thereof;

(b) the number of unemployed Agriculture graduates in Karnataka; and

[12 August, 2002]

RAJYA SABHA

(c) the total amount sanctioned/released for unemployed Agriculture graduates in Karnataka for starting business ventures during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) Yes, Sir. Following the announcement made in the Union Budget for the year 2001-2002, National Bank for Agriculture and Rural Development (NABARD) has formulated a scheme to provide financial assistance to agriculture graduates for setting up of agri-clinics and agri-business centers for providing extension services to accelerate the process of technology transfer and augmenting input supply and services. The scheme aims at providing gainful employment to agriculture graduates in new and emerging areas in agriculture. The prescribed ceiling of the project cost for an individual and group is Rs. 10 lakhs and Rs. 50 lakhs respectively. The repayment period of the loan could vary between 5 to 10 years depending upon the activity and may include a grace period of a maximum of 2 years. The rate of interest is to be decided by the financing banks as per Reserve Bank's guidelines. NABARD would provide 100% refinance for the bank loan.

(b) and (c) NABARD had reported that more than 460 agriculture graduates in Karnataka had responded to an advertisement released by Government soliciting applications from agriculture graduates desiring to establish agri-business centers. These applicants are being imparted training and the trained agri graduates are in the process of contacting banks with their project profiles for availing finance for the establishment of agri-business centers.

#### **Agenda of G-20 Finance Secretaries meeting**

2173. SHRI B.J. PANDA: will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether India hosted G-20 Finance Secretaries meeting during July, 2002, if so, what was the agenda of the meeting and the outcome of the deliberation;

(b) the recommendations made for global economic recover and measures for high growth rate; and

(c) whether impact of the accounting frauds on the world financial