

[25 April, 2000]

RAJYA SABHA

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) Reforms in the Indian banking sector were initiated based on the recommendations of the Committee on Financial Systems which submitted its report in 1991. In April 1998 the Committee on Banking Sector Reforms under the chairmanship of Shir M. Narasimham made a number of recommendation covering institutional, supervisory, legislative and banking policies aspect. These recommendations relate to capital adequacy, asset quality, non-performing assets, directed credit, prudential norms, disclosure requirement, systems and methods in banks, structural issues, rural and small industrial credit, regulation and supervision, legal and legislative framework. These recommendations constitute a valuable input into the ongoing process of reforms of the banking sector. A number of these recommendations have been accepted and implemented by RBI.

Prevention of misuse of money power in Rajya Sabha elections

3300. SHRI H. K. JAVARE GOWDA: Will the Minister of FINANCE be pleased to state:

(a) whether the Income Tax department could prevent misuse of money power in the last concluded Rajya Sabha election, as proposed by Election Commission; and

(b) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR): (a) and (b) The use or misuse of money power, would not come within the purview of the Income tax Department. Only in cases where money represents unaccounted income will the Department come into the picture.

Establishment expenses on newly set up departments

3301. H. K. JAVARE GOWDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that two new departments namely elementary Education and Literacy and Drinking Water Supply have been set up for proper implementation of the schemes;

(b) what is the total staff strength in each Department and annual establishment expenses incurred/ likely to be incurred thereon; and

(c) what are the other details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) and (c) Being collected and will be made available as soon as possible.

Weakening of consensus behind economic reforms

3302. SHRI KULDIP NAYYAR: Will the Minister of FINANCE be pleased to state:

(a) whether he has announced that the consensus behind the economic reforms was weakening;

(b) if so, the specific instances where the understanding is absent;

(c) whether he is contemplating any steps to remove the causes for the weakening of the consensus; and

(d) the reasons for not encouraging a wider debate on the steps which are necessary for the consensus?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (d) Addressing a meeting in Calcutta, the Finance Minister regretted the weakening of political consensus on the economic reforms agenda of the government in the last few months. He stressed that people who had advocated reforms when they were in power were opposing them now. He said that the only way to strengthen consensus was to improve the quality of life of the common man, hence it would be his endeavour to keep the common man interest at the centre of all economic reforms programme.

Reduction in import duty on soya oil

3303. SHRI CM. IBRAMIM: Will the Minister of FINANCE be pleased to state;

(a) whether Government have reduced import duty on soya-oil from 60 to 15 percent;

(b) if so, whether it is a fact that the Indian farmer is doubly hit this year, one because of loss and damage to soyabean crops due to excess rains, and secondly because of crash in prices of soyabean due to heavy reduction in import duty on edible oils; and