

to issue fresh guidelines for small investors;

(b) if so, the details in this regard;

(c) the details of companies found floating the directives of the SEBI in regard to public-cum-rights issue; and

(d) the further action taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): (a) to (d) The information is being collected and will be laid on the Table of the House.

Proposals to reduce the Number of Income-tax Assessors

5295. SHRI V. HANUMANTHA RAO: Will the Minister of FINANCE be pleased to state:

(a) the steps proposed to reduce the number of Income Tax assessors;

(b) whether it is a fact that proposals to widen tax base has increased harassment to common-men; and

(c) the steps taken to avoid giving free-hand to ground level Income Tax employees?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY) (a) No steps are proposed to reduce the number of income-tax assessors, though, possibly, some persons may go out of the tax net whenever basic exemption limit for taxation is increased. On the other hand, concerted efforts are made to increase the number of income-tax assessors by bringing all persons liable to tax into the tax net;

(b) No, Sir. The efforts of the income tax department to widen the tax base are such that they would not cause any hardship to the honest taxpayers. For example, the presumptive Tax Scheme under section 115K of the Income-tax Act, 1961, which is a step in this

direction, envisages no visits by the taxpayers to the income-tax offices at all. They can pay the tax directly into the banks by filling in a very simple statement-cum-challan; and

(c) action has been taken to minimise the discretionary powers of the officials in selection of cases for detailed scrutiny by stipulating that such selection of cases shall be made purely on random basis where incomes returned is Rs. 2 lakhs or less. Also, well defined guidelines have been issued for making prima facie adjustments to the returned income thereby eliminating the possibility of wrong adjustments. That apart, there is constant supervision by the superior officers to see that no inconvenience is caused to the taxpayers.

Loans to farmers in Madhya Pradesh

5296. SHRI SURESH PACHOURI: Will the Minister of FINANCE be pleased to state:

(a) the district-wise details of the loans advanced by nationalised banks to the farmers in Madhya Pradesh during the last three years with year-wise details for purchasing agricultural equipments, livestock and fertilizers;

(b) whether it is a fact that the farmers in the State have to face difficulties in getting loans from the banks in time; and

(c) if so, what remedial action Government propose to take to ensure that farmers in Madhya Pradesh get loans without any hurdles from the banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): (a) The information is being collected and to the extent available will be laid on the Table of the House.

(b) and (c) The commercial banks are required to grant at least 18% of their net bank credit to agriculture. Reserve

Bank of India (RBI) has advised all Scheduled Commercial Banks to make every effort to achieve the stipulated target. Banks have been urged to draw up special credit plans with a view to achieving a distinct and marked improvement in the flow of credit to agriculture. Banks have also been advised to identify the areas and the activities which they could conveniently concentrate upon and draw up their action plan accordingly. For timely and adequate credit for agriculture production, farmers satisfying certain criteria are extended flexible line of credit in the form of cash credit facility to meet their Composites credit requirements. The facility is available to farmers having irrigation facility and also to those who do not have such facility but who in addition to cultivation of crops undertake allied activities like dairy, poultry, etc. and/or other non-farm activities and who have satisfactory track record in the conduct of their bank borrowed accounts. RBI has also asked commercial banks to finance high-tech activities like aquaculture, floriculture, tissue-culture bio-technology etc.

Credit flow to SSI by Banks

5297. **SHRI SURESH PACHOURI:** Will the Minister of FINANCE be pleased to state:

(a) whether Government have selected one hundred dedicated branches of nationalised banks for better credit flow to the small scale industries in the country;

(b) if so, the details thereof;

(c) how many such bank branches are in the State of Madhya Pradesh; and

(d) what procedure is likely to be followed by these bank branches in providing credit flow to small industries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): (a)

and (b) In his Budget Speech for 1995-96, Finance Minister had, *inter alia*, mentioned that the public sector banks would ensure that 100 specialised small scale industries (SSI) branches are operational before the end of 1995-96 in 85 identified districts, each with more than 2000 registered SSI units. RBI has asked banks to give their proposals in this regard.

(c) RBI has reported that as at the end of October, 1994, there were 25 specialised SSI branches of the public sector banks in the State of Madhya Pradesh.

(d) Specialised SSI branches would be manned by staff experienced to deal with SSI loan applications and there will be predominance of SSI business at these branches.

Bridge Loan by IDBI to Companies

5298. **SHRI YERRA NARAYANA-SAMY:** Will the Minister of FINANCE be pleased to state:

(a) whether IDBI had been at a loss in choice of companies in sanctioning bridge loans against public issues;

(b) if so, what steps are proposed to review linkage of IDBI with various firms who got bridge loans;

(c) whether such bridge loans were unethical to investors; and

(d) if so, the action proposed?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): (a) Industrial Development Bank of India (IDBI) has reported that it had not been lax in choice of companies in sanctioning bridge loans against public issues.

(b) Does not arise in view of (a) above.

(c) IDBI has reported that bridge loans sanctioned by it against public issues were not unethical to the investors as these loans were given as a stopgap arrangement for the purpose of timely