

(b) Interest rates on advances of these countries (except Mexico) are lower than that [17 per cent (minimum) on bank advances of over Rs. 2 lakh in March 1993] in India. The level of Interest rate depends on many factors like current and expected rate of inflation, rate of saving, investment-saving gap, expected changes in the exchange rate and degree of openness to capital flow.

(c) The interest rates on deposits and advances are reviewed from time to time in the light of major macro-economic trends. Interest rate on bank advances of over Rs. 2 lakh was brought down to 15 per cent (minimum), effective from September 2, 1993.

Demand Notices to Banks for Payment of Tax

90. DR. SANJAYA SINH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the

commissioner for Income-tax, Bombay has decided to compute the extra tax liability on scam-tainted banks and has sent demand notices to various Banks for 1989-90 for payment of tax worth Rs. 300 crores;

(b) if so, what are the details of the decision and the names of the banks that have been served with notices along with the details of their demands; and

(c) what is the reaction of Banks in this regard?

THE MINISTER FOR STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir,

(b) Additions to the returned income have been made in the cases of eight Banks who are considered to be involved in security scam. The details of additions made in such cases of Banks, are as per Statement (*See* below).

(c) All the Banks have filed appeals before the CIT (Appeals) under section 246 of the Income-tax Act, 1961.

Statement

s. No	Names of the Banks	Additions relating to scam (in crores)	Other additions (in crores)	Total Net demand as per demand notice (in crores)
1.	Citi Bank	Rs. 35.92	Rs. 7.01	Rs.43.11
2.	Bank of America	Rs. 5.52	Rs. 12.12	Rs. 18.48
3.	American Express Bank	Rs. 12.04	Rs. 8.26	Rs. 20.86
4.	Union Bank of India	Rs. 0.06	Rs. 53.34	Rs. 12.62
5.	Banque Indosuez	Rs. 0.62	Rs. 0.83	Rs. 0.93
6.	British bank of Middle East	Rs. 0.09	Rs. 0.43	Refund
7.	Bombay Mercantile Co-op Bank Ltd.	Rs. 0.38	Rs. —	Rs. 0.70
8.	State Bank of India	Rs. 0.52	Rs. 412.61	Rs. 326.97

सरदार सरोवर परियोजना के लिए अनिवासी भारतीयों को बंध-पत्र

91. श्रीमती चन्द्रिका अभिनन्दन जैन: क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या सरकार को गुजरात सरकार से सरदार सरोवर परियोजना के लिए अनिवासी भारतीयों को बंध-पत्र जारी करने संबंधी प्रस्ताव प्राप्त हुए हैं;

(ख) यदि हां, तो इसका ब्यौरा क्या है;

(ग) इस संबंध में अब तक की गई प्रगति का