

drafts, mail transfers, telegraphic transfers and travellers cheques for Rs.50,000 and above should be issued by banks only by debit to the customer's account or against cheques or other instruments tendered by the purchaser and not against cash payment.

Further, as per the provisions of Income Tax Act, 1961 with Rule No. 114B of Income Tax Rules, 1962 payments in cash for purchase of bank drafts or pay orders or banker's cheque from banking company to which Banking Regulation Act, 1949 applies, stipulates mandatory quoting of Permanent Account Number.

In such a situation, Banks will issue Demand Drafts to those who avail this facility, including students, subject to compliance of the RBI guidelines and the provisions of Income Tax Act/Rules.

IPOs of Nationalized banks

2610. SHRI DHARAM PAL SABHARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that many nationalized banks are planning to raise money through Initial Public Offerings (IPOs) during this fiscal;

(b) if so, the names of such banks and the amount of money they are likely to raise either through IPOs or *via* Certificates of Deposits (CDs);

(c) whether it is a fact that some banks have shown losses during the last three years; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) To meet their growth requirements, the banks, including Nationalised Banks, raise capital funds through various permissible channels which, *inter-alia*, include raising capital from the capital market through issue of equity shares by way of Initial Public Offer (IPO) / Follow-on Public Offer (FPO) / Rights issue / Preferential allotment of equity shares, etc.; plough back of profits, issue of Innovative Tier I instruments, issue of Innovative Tier II Capital / Debt instruments, etc. Government has not received any firm proposal from any Nationalised Bank to raise capital through IPO during the current financial year. The banks raise funds through Certificates of Deposits in usual course of their business depending upon their asset-liability position.

(c) and (d) All the Nationalised Banks have reported net profits for the years 2006-07, 2007-08, and 2008-09.

Training of officials of the income tax department

2611. SHRI MANAGLA KISAN:

SHRI RAMA CHANDRA KHUNTIA:

Will the Minister of FINANCE be pleased to state:

(a) the steps taken by Government to impart state-of-the-art skills to the senior level officials and functionaries of both direct and indirect tax machineries of the Central Government, by way of training and exposure visits;

(b) the details of the approved plan of action and what have been the recommendations of various committees set-up in this area; and

(c) whether the Indian Tax machinery is geared to combat economic crimes of modern day keeping in view that collection of revenues and taxes falls under the sovereign functions of the State?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The National Academy of Direct Taxes and the National Academy of Customs, Excise and Narcotics and its regional centres impart training on a continuous basis to the senior level officials and functionaries including induction course for Group 'A' officers at the entry level. Training includes lectures, workshops, group discussions, field visits, upgradation of investigative skills and exploring new techniques of investigation.

The Empowered Committee on computerization of the Department has approved Change Management and Training Initiative in the Income Tax Department. As part of the programme, the officials of the Department are being trained to work on a fully networked environment.

(c) Yes, Sir.

Spending out of GDP in social welfare

2612. SHRI KALRAJ MISHRA:

SHRI SANTOSH BAGRODIA:

Will the Minister of FINANCE be pleased to state:

(a) what is the percentage of Gross Domestic Product (GDP) being spent on social welfare;

(b) how does this compare with developed countries like the United States of America (USA) and European countries; and

(c) how does this compare with developing countries like China, Bangladesh and Latin American countries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Total combined expenditure of Central and State Governments on social services in 2008-09 (BE) was 6.72 per cent of GDP at current market prices. Social services include, education; sports; art and culture; medical and public health; family welfare; water supply and sanitation; housing; urban development; welfare of SCs, STs and OBCs; labour and labour welfare; social security and welfare; nutrition, relief on account of natural calamities etc.

(b) and (c) The available international comparison of expenditures as a percentage of GDP on social benefits by General Government and Central Government in 2007 as per Government Finance Statistics Yearbook, 2008 of IMF is given below.