

The details of Direct Tax Collection during the F.Y. 2008-09 is as under:-

Head of Tax	Revised Estimates 2008-09	Actual Collection 2008-09
Corporate Tax	222000	213823
Personal Income Tax	108000	109980
FBT	8500	7997
STT	5500	5408
BCTT	600	582
Other Taxes	400	422
Total	3,42,000	3,38,212

(e) Since, the Direct Tax Collection has fallen short of Revised Estimates by Rs. 6788 crores, it will not have any significant effect on the fiscal deficit.

Economy under threat

†1081. SHRI KRISHAN LAL BALMIKI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that terrorists are trying to break into the economy under a dangerous strategy;

(b) whether the multi-national corporations can damage the social set-up of the country with their desire to yield large profits;

(c) whether it is possible for the terrorists to break into the economic set up of India; and

(d) the steps being taken by Government in response thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) to (d) The information is being collected and will be laid on the table of the House.

Disbursal of farm loans

1082. SHRI T.T.V. DHINAKARAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government proposes to disburse farm loans through post offices;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) to (c) In January 2006, the Reserve Bank permitted banks to use the services of

†Original notice of the question was received in Hindi.

intermediaries in providing financial and banking services through the use of Business Facilitator (BF) and Business Correspondent (BC) models. In this light, banks can use post offices as their BFs or BCs for carrying out banking services including disbursement of small value credit, recovery of principal/collection of interest, collection of preliminary processing of loan applications, post sanction monitoring, etc.

Borrowings from IDA

1083. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether a World Bank independent evaluation group has warned of significant risks of fraud and corruption in Bank's lending programme which provides loans and grants to 78 countries including India;

(b) whether the report relates to review of World Bank International Development Association (IDA) programme carried out by the Banks' independent Evaluation Group;

(c) whether India was among the biggest borrowers from IDA in financial year 2008 borrowing \$837 million and was only next to Vietnam; and

(d) if so, to what extent Government has considered the report and what are steps being taken to check these?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) and (b) [Review of IDA Internal Controls - An Evaluation of Management's Assessment and the IAD Review], is a report of the Independent Evaluation Group (IEG) of the World Bank which relates to review of IDA's control system through an assessment by IDA management and a review by the Internal Audit Department. The report mentions that IEG has found that IDA's internal controls framework operates to a high standard overall giving reasonable assurance that the controls operate effectively. However, in its findings, IEG report mentions that during the review evidence emerged that there are significant risks of fraud and corruption (F&C) impinging in IDA's lending operations, not fully matched by appropriate controls. In the report IEG has stressed that this finding is based on the risk of fraud and corruption rather than any clear measure of the extent to which fraud and corruption may have actually occurred in operations supported by IDA financing. The report can be accessed at www.worldbank.org/ida.

(c) Yes, Sir.

(d) The report is an internal assessment of IDA control system carried out by the Independent Evaluation Group of the World Bank which does not reflect the views of the Governments of various member countries, including India. The report has recommended to the IDA management to develop and deploy specific F&C related instruments into the bank's Risk Scan processes, Country Assistance Strategies, lending and project designs, and Implementation Status Reports.