

1	2	3	4	5	6
8.	Bihar DPL	Bihar	27-Feb.-08	225	114.28
9.	Rampur Hydropower Project	Himachal Pradesh	14-Apr.-08	400	81.7
10.	Power System Development IV	Central	16-May-08	600	246.69
11.	Elementary Education (SSA II)	Central	12-Sep.-08	600	215.1
12.	Orissa Community Tank Management Project	Orissa	17-Mar.-09	112	4.35
13.	Power System Development IV — Additional Financing	Central	30-Mar.-09	400	0
14.	Orissa Rural Livelihood Project	Orissa	31-Mar.-09	82.4	3.11

**Statement-II**

*Terms and Conditions of World Bank Lending to India*

Donor Agency	Grace Period	Period of repayment after Grace Period	Rate of Interest	Commitment* Charges
IBRD	5 years	15 years	Variable-based on 6-month LIBOR #	Nil
IDA	10 years	25 years	0.75% (Service Charge)	Nil

#Interest rate is determined based on 6 months LIBOR rate plus a variable spread.

\*Commitment charge is currently nil for both IBRD and IDA

**Issue and circulation of fake currency**

3410. DR. K. MALAISAMY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that issue of circulation of fake currency has become a new threat to the economy of India;

(b) whether it is also a fact that the challenge of counterfeit flooding to market is inspired by I.S.I.; and

(c) what are the effective measures taken or being taken to deal with this situation?

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

(a) No, Sir.

(b) As per intelligence reports, involvement of Pak Officials suspected to be working for intelligence agencies of Pakistan has been revealed.

(c) The steps taken by the Government of curb circulation of FICN in the country include stepping up of vigilance by the Border Security Force and Custom authorities to prevent smuggling of fake notes; dissemination of information on security features through print and electronic media and formation of Forged Note Vigilance Cells in all the Head Offices of the banks. Additional security features have also been incorporated in the banks notes in 2005 to make counterfeiting very difficult. A High Level Committee headed by the Union Home Secretary comprising officials from central agencies and other senior police officials has been constituted to monitor and draw a comprehensive strategy to combat FICN. Similar bodies have also been set up in the States. In addition, Government of India have nominated the Central Bureau of Investigation as the Nodal Agency to monitor investigation of fake currency note cases. The RBI has also strengthened the mechanism for detection of counterfeit notes by the Banks.

#### **Simplification of laws relating to direct taxes**

3411. SHRI BHAGAT SINGH KOSHYARI: Will the Minister of FINANCE be pleased to state:

(a) whether Government constituted an expert group with the objective of simplifying laws relating to direct taxes;

(b) if so, the reasons therefor;

(c) whether the expert group has submitted its report;

(d) if so, the details of recommendations made by the expert group and whether the recommendations have been implemented;

(e) if not, the reasons therefor;

(f) whether there is any proposal to amend direct tax laws to reduce mounting arrears of direct and indirect tax revenues; and

(g) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir.

(b) The present Income-tax Act is voluminous and complex to understand by a common man. The complicated procedure often encourages tax evasion and avoidance. Therefore, with a view to simplify the existing Income-tax Act, the Government has constituted an expert group.

(c) Yes, Sir. The Group has submitted its report on 08.09.2006.

(d) and (e) Based on the recommendation of expert group, a new Direct Tax Code is under preparation and as announced by the Finance Minister in his Budget Speech, the same would be released for public discussion latest by 20th of August, 2009.

(f) No, Sir.

(g) Does not arise.