

during Search/Survey operations pertaining to opening of foreign bank accounts or other assets outside India.

5. The Government has created additional posts in Foreign Tax and Tax Research (FT&TR) division of CBDT so that special attention is given to the work of exchange of information.
6. In order to facilitate exchange of information, two Income Tax Overseas Units (ITOUs) within the Indian Mission have been created in Singapore and Mauritius and officers have been posted therein. In addition to this, it has been decided to create 8 more such units in USA, UK, Netherlands, Japan, Cyprus, Germany, France and UAE.
7. India has been actively taking part, through G-20, in building global consensus for taking action against those jurisdictions/countries who are not transparent or co-operative in exchanging information with other countries. India has also been elected, in September, 2009, as Vice-Chair of the Peer Review Group set up by the Global Forum on Transparency and Exchange of Information, which is playing an important role in reviewing various jurisdictions in terms of compliance with international standards on transparency and exchange of information for tax purposes. Three of Indian assessors have also been nominated for the Peer Review Process.

#### **Opening of Ashok Paper Mill**

\*390. SHRI KUMAR DEEPAK DAS: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) whether it is a fact that Ashok Paper Mill in Assam has not been opened even after 25 years of Assam Accord;
- (b) the details of the steps taken to open the Ashok Paper Mill during the last 25 years of Assam Accord;
- (c) whether the Ministry proposes to open the Ashok Paper Mill during the current financial year; and
- (d) if not, the reasons therefor?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI VILASRAO DESHMUKH): (a) to (d) Assam Accord signed in 1985 by Government of India, Government of Assam and All Assam students Union provided that Central Government will render full assistance to the State Government in their efforts to re-open *inter alia* Ashok Paper Mill (APM). Action has been taken for revival of APM as agreed. A financial package of Rs. 67.08 crore was provided by the Department of Industrial Policy and Promotion, Government of India in the year 1989-90 for the revival of the mill. The Government of Assam had signed a Memorandum of Understanding with

Sanghi Textiles Limited in 1995 and subsequently with M/S Soneko Paper and Industries Ltd. in the year 2000 to run the mill. These companies were also not able to revive the mill.

In the meeting of the Tripartite Committee held under the chairmanship of the Hon'ble Prime Minister on 5.5.2005 to review the implementation of Assam Accord, it was *inter alia* decided that the proposal for handing over to Hindustan Paper Corporation would be considered.

In November, 2007, Ministry of Home Affairs, Government of India, indicated *inter alia* that M/o Heavy Industry (MHI) would be the nodal Ministry for revival of APM and would engage Hindustan Paper Corporation Ltd. (HPC)/any other renowned consultant for preparing techno-economic DPR for revival of the mill. The techno-economic study would be undertaken after the Government ensures that APM is free from all legal issues and encumbrances. The past liabilities on account of wages and other charges, if any, may form part of the revival package. The MHI was requested to take necessary action in consultation with Government of Assam for getting the techno-economic study for revival of APM undertaken.

Accordingly, a renowned international consultant, M/s. Sandwell Consulting Engineers Private Ltd., Mumbai was engaged by Hindustan Paper Corporation Limited (HPC) for preparation of Techno-Economic Feasibility Report (TEFR) and Detailed Project Report (DPR). Approval for incurring an expenditure of Rs. 1,16,58,280/- was also given for preparation of TEFR and DPR in respect of APM. Based on the Consultant's report, a Greenfield Project of 2,00,000 tonnes/annum capacity manufacture of writing-printing paper with an envisaged investment of Rs. 2476 crore is under active consideration for implementation.

Union Ministry of Environment and Forests (MoEF) has approved Terms of Reference (ToR) for conducting Environment Impact Assessment Study (EIA) for getting environmental clearance for the project. A draft submitted by the Consultant on 16.11.2010 has been submitted to the Government of Assam by the HPC for taking further necessary action like arrangement of mandatory Public Hearing etc.

Chief Minister of Assam in a letter dated 13.10.2010 to Union Minister for Commerce and Industry has written that the State Government have prepared a final DPR for a green field project at the same location at a tentative cost of Rs. 2500 crore and they are in touch with HPC for taking up the project. He has also indicated that HPC could be interested in taking up this new project if Capital Investment Subsidy (CIS) announced under the NEIPP, 2007 is made available to HPC, as a special case. Department of IPP has commented that since the CIS is not given to the public sector, the said assistance can be in the shape of equity; if a Detailed Project Report has been proposed for the unit, it may be got examined for options of Government assistance and requirement of funds. HPC in a letter dated 8.11.2010 to the State Government has conveyed that they do not

have requisite resources to contribute towards the project cost and will have to depend on Government of India for equity and commercial banks for long-term loans backed by Government of India guarantee. All these issues relating to revival of the mill are being discussed with the Government of Assam and concerned Ministries of the Union Government immediately for expeditious finalization.

Revival of the Ashok Paper Mill will be feasible only after the DPR is finalized, mode of revival is decided, an appropriate implementing agency is appointed and sources of financing the revival scheme are finalised in consultation with all concerned.

**Involvement of senior bank officials in fake currency racket**

\*391. SHRI SABIR ALI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that involvement of some senior bank officials in the fake currency racket has been established in the recent raids conducted in various parts of the country; and

(b) if so, the details in this regard and the action taken against them?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE): (a) and (b) Reserve Bank of India (RBI) has informed that they are not aware of any recent raids conducted in various parts of the country in which involvement of some senior bank officials has been established in the fake currency racket.

RBI has reported that as per Fraud Monitoring Reports received in the Department of Banking Supervision (DBS) relating to fake/forged notes, in four cases, the concerned banks had taken action against erring staff (other than senior officers) and other actions such as filing cases with Police as detailed below:—

- (i) In the first instance, a detailed verification of cash by a team consisting of the bank and RBI officials indicated that counterfeit notes aggregating Rs. 4.023 crore were mixed with genuine currency notes in the currency chest balance. A special assistant was found to have been involved in circulation of fake currency through currency chest mechanism. The matter was reported to Police and the special assistant has been dismissed by the bank alongwith two other officers in the middle management cadre.
- (ii) In the second instance, a bank had reported a fraud of Rs. 5.78 lakh in which case counterfeit notes were inserted in the genuine currency note packets while remitting the soiled notes to RBI. The messenger who was found to have been involved was dismissed by the bank. Further, disciplinary action was taken and penalties awarded to two senior assistants, two Deputy Managers and two others. A Police case was also registered.
- (iii) In the third incidence, forged notes and mutilated notes to the tune of Rs. 1.11 lakh were inserted/included in the cash remittances from a bank's