

(b) if so, how many branches were opened by different foreign banks in various States and towns during the last 3 years ?

**THE MINISTER OF FINANCE (SHRI Y. B. CHAVAN) :** (a) and (b) Foreign banks are permitted to open new offices on a limited scale only in port towns and New Delhi. In the last three years one bank was allowed to open a new branch in Calcutta in November, 1969.

**DEPOSITS IN FOREIGN BANKS OPERATING IN INDIA**

**555. SHRI DHARAMCHAND JAIN :** Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that deposits in foreign banks operating in India have increased after the nationalisation of banks; and

(b) if so, the details in this regard and reasons therefor ?

**THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SMT. SUSHILA ROHATGI) :** (a) and (b) Between June 1969 and September 1972, the deposits of foreign banks operating in India increased by Rs. 204.6 crores from Rs. 477.4 crores to Rs. 682.0 crores. The average annual rate of growth of deposits of the foreign banks during the above period worked out to 13.2 per cent against the annual growth rate of 20.9 per cent of all scheduled commercial banks in India.

The share of the foreign banks in the aggregate deposits of all scheduled commercial banks in India which stood at 10.3 per cent as at the end of June 1969 steadily declined to 8.7 per cent as at the end of June 1972 and remained at that level as at the end of September 1972.

**LOANS BY L. I. C. TO EDUCATIONAL INSTITUTIONS**

**556. SHRI DHARAMCHAND JAIN :** Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to provide loans by L. I. C. to educational institutions situated in district towns and backward areas; and

(b) if so, the details thereof ?

**THE MINISTER OF FINANCE (SHRI Y. B. CHAVAN) :** (a) and (b) Loans to educational as other institutions are granted under the L. I. C.'s "Property Mortgage Scheme" provided the applicants furnish satisfactory security and have adequate margin of income for servicing the loans. No separate scheme for grant of loans to educational institutions is under consideration.

**GUIDELINES FOR COMPANIES FOR PAYMENT OF MINIMUM REMUNERATION TO MANAGERIAL PERSONNEL**

**557. SHRI VENIGALLA SATYANARAYANA :** Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) whether Government have formulated certain guidelines for Companies in regard to the payment of minimum remuneration to their managerial personnel in Companies having inadequate profits, and

(b) if so, the broad outlines thereof ?

**THE MINISTER OF COMPANY AFFAIRS (SHRI K. V. RAGHUNATHA REDDY) :** (a) Yes, Sir.

(b) A copy of the guidelines is enclosed. [See Appendix LXXXII, Annexure No 22]

**FRAUD IN STATE BANK OF BIKANER AND JAIPUR, DELHI BRANCH**

**558. DR BHAI MAHAVIR :** Will the Minister of FINANCE be pleased to refer to the answer given to Starred Question No. 577 and supplementaries in the Rajya Sabha on the 29th August, 1971 and state :

(a) whether investigations into the fraud have since been completed,

(b) whether an Inspector of State Bank of India had conducted an enquiry into the affairs of New Delhi and Delhi branches of the State Bank of Bikaner and Jaipur in September 1971 and submitted a report; and

(c) if so, what were the findings of the enquiry, what was the date of submission of the report and when it was submitted to Government ?

**THE MINISTER OF FINANCE (SHRI Y. B. CHAVAN) :** (a) to (c) A statement is laid on the Table of the House.

## STATEMENT

In terms of section 47(1) of the State Bank of India (Subsidiary Banks) Act, 1959, the State Bank of India held the inspection of all the branches of the State Bank of Bikaner and Jaipur in Delhi and New Delhi by one of its Branch Inspectors. The Inspector submitted his report to the State Bank of India on 15th October 1971. Copies of the inspection reports are neither required to be submitted nor were they actually submitted to Government in this case. It is reported that the inspection reports referred to three cases of fraud—one in the Chandni Chowk Branch and two in the New Delhi Branch—and certain irregularities in the working of the three branches.

2. The State Bank of India has reported that one of the frauds referred to in the inspection report relates to the fraud committed in the Chandni Chowk branch of the State Bank of Bikaner and Jaipur, details of which were given in the statement laid on the Table of the House on 29th August 1972, in reply to Starred Question No 577. The State Bank of India has further reported that the criminal case against the party is pending trial and that action against the employees concerned would be taken after the criminal proceedings are completed.

RECIPROCAL ARRANGEMENTS WITH  
FOREIGN AIRLINES

559 SHRI VENIGALLA SATYANARAYANA Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state :

(a) whether Indian Airlines have got any reciprocal arrangements for issue of complimentary Air-tickets for travel abroad for its staff with foreign Airlines, and

(b) if so, the names of the Airlines and the salient features of the arrangements made ?

THE MINISTER OF TOURISM AND  
CIVIL AVIATION (DR KARAN SINGH)

(a) and (b) In terms of IATA Resolution 200, it is open to Indian Airlines to request foreign airlines who are members of IATA (International Air Transport Association) for free or concessional transportation for its employees on a reciprocal basis.

560 [Transferred to the 29th November, 1972]

FICCI'S PROPOSALS FOR MODERNISATION  
OF COTTON TEXTILE INDUSTRY

561 SHRI M K MOHTA Will the Minister of FOREIGN TRADE be pleased to state

(a) whether the Federation of Indian Chambers of Commerce and Industry has made certain proposals for the modernisation of cotton textile industry in the country, and

(b) if so, salient features thereof and reaction of Government with regard thereto ?

THE DEPUTY MINISTER IN THE  
MINISTRY OF FOREIGN TRADE (SHRI  
A C GEORGE) (a) No, Sir.

(b) Does not arise.

FILM STARS IN ARREARS OF DIRECT  
TAXES QUESTION

SHRI S S MARISWAMY :  
SHRI M KAMALANATHAN :

Will the Minister of FINANCE be pleased to state .

(a) the names of film stars who are in arrears of direct taxes and the amounts of such arrears as on 1st July 1971 and on 31st January, 1972 in respect of assessment of their own income and assessments in respect of companies or concerns owned or controlled by them,

(b) whether Government have received any offer of settlement of these tax liabilities, if so, details thereof, and

(c) whether the Government have allowed instalment payment of the arrears in these cases ?

THE MINISTER OF STATE IN THE  
MINISTRY OF FINANCE (SHRI K R S  
GANESH) (a) to (c) The information is being collected and will be laid on the Table of the House as early as possible

LOANS BY NATIONALISED BANKS  
TO MONOPOLY HOUSES

563. DR BHAI MAHAVIR Will the Minister of FINANCE be pleased to refer