

(c) to (e) Income Tax department takes requisite action on the basis of credible information against persons suspected of tax evasion as per the provisions of the Direct tax Laws. In case evidence of tax evasion is found, the amount evaded is brought to taxation, penalty proceedings initiated, and on confirmation of tax evasion, prosecutions launched in appropriate cases. These provisions are apart from and in addition to the provisions under the Prevention of Corruption Act. Intimations about the officers searched and findings of investigation are communicated to the appropriate authorities by the Income tax Department.

Permission to religious bank

1265. MS. SUSHILA TIRIYA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government has permitted a religious bank to enter India; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) Any bank in India has to operate within the framework of Banking Regulation Act, 1949 and other extant guidelines on the subject. In the current statutory and regulatory framework, it is not legally feasible for banks in India to undertake banking activities on a religious basis.

Debt write offs by Public Sector Banks

1266. SHRI JAI PRAKASH NARAYAN SINGH : Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Punjab National Bank and the Bank of India have written-off loan amounts of almost Rs. 400 crores during the last two years;

(b) if so, the details of debt write-offs, company-wise and bank-wise;

(c) whether the debt write-offs include telecom and real estate companies; and

(d) if so, the action taken against the senior officers for showing such favours to the borrowers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (d) Punjab National Bank has written off Rs. 466 crore in 2008-09 and Rs. 853 crore in 2009-10. Bank of India has written off Rs. 384 crore in 2008-09 and Rs. 744 crore in 2009-10.

Banks have been writing off bad debts generally for the following reasons:-

- The loans are generally outstanding for a considerable long period.
- The prospects of recovery are remote.

- Bringing down the Non-performing Assets.
- No tangible/realizable securities are available to cover the debt.
- Legal action takes unduly long period.

Reserve Bank of India (RBI) had advised the banks that all possible steps to recover the dues should be taken and if there are no further prospects of recovering the debts, the decision to write-off may be taken in the larger interest of the bank, subject to such safeguards/conditions and reporting system as their Boards may prescribe.

RBI has stated that Annual Financial Inspection for the years 2009 and 2010 did not reveal any major adverse features in the area of write offs by the said banks.

Inquiry into sudden changes in Sensex

†1267. SHRI RAMCHANDRA PRASAD SINGH:
SHRI RAVI SHANKAR PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Securities and Exchange Board of India (SEBI) is conducting an inquiry of the alleged institutions responsible for unnecessary and sudden rise and fall in share prices during past months in the country;

(b) if so, the number of institutions that have come under the scope of enquiry; and

(c) the names of such domestic and foreign institutions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) The securities market regulator, SEBI, and Exchanges maintain constant vigil in the market, irrespective of the levels of Indices. Nothing has come to the notice of SEBI to suspect any irregularity in the recent fall, as it is not uncommon for markets to witness corrections after a sharp bull run. Hence, SEBI has not initiated any specific probe into movement of Sensex during the last few months since November, 2010.

(b) Does not arise in view of reply to part (a) above.

(c) Does not arise in view of reply to part (b) above.

Introduction of chip based ATM cards

1268. SHRIMATI SHOBHANA BHARTIA: Will the Minister of FINANCE be pleased to state:

(a) whether a panel set up by the Reserve Bank of India (RBI) has proposed that banks should shift to chip based ATM cards from the existing magnetic strip ones and upgrade the vending machines;

†Original notice of the question was received in Hindi.