

(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 no 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.