

(c) There are no guidelines stipulating time frame for final disposal. However, after due diligence of submissions, the Authority takes a decision expeditiously.

***Short term credit loan for farmers***

2045. SHRI MOHD. ALI KHAN: Will the Minister of FINANCE be pleased to state:

- (a) whether Government is implementing short term credit loans to farmers;
- (b) if so, the steps taken in this direction during the last three years, State-wise especially in Andhra Pradesh; and
- (c) if not, by when this proposal will be considered?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):  
(a) to (c) The Government of India has since 2006-07 been subsidizing short term crop loans to farmers in order to ensure the availability of crop loans to farmers for loans upto Rs. 3.00 lakh, at 7% p.a. This Interest Subvention Scheme has been further continued for 2010-11 for Public Sector Banks, Regional Rural Banks and Cooperative Banks. This year an additional subvention of 2% to farmers, who repay on time has been provided. Thus, the effective rate of interest for such farmers is five per cent per annum for 2010-11. In the year 2011-12, it is proposed to provide these loans @ 4% p.a. to prompt repaying farmers under the Interest Subvention Scheme 2011-12. The Scheme is uniformly applicable to farmers across the country including Andhra Pradesh.

***Involvement of bank officials in fraud***

2046. SHRIMATI SHOBHANA BHARTIA: Will the Minister of FINANCE be pleased to state:

- (a) whether Government is aware that banking frauds particularly in the nationalized banks are on the rise with the help of bank employees;
- (b) if so, the details of banking frauds in nationalized banks that has come to the notice of Government in the past three years;
- (c) whether the RBI/Government's guidelines/instructions issued to various Nationalized banks from time to time to adhere to norms are being violated by some officials of the banks; and
- (d) if so, the details thereof and further steps being taken by Government to check such banking frauds and fix responsibilities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):  
(a) and (b) RBI has reported that as per fraud reports received from the nationalized banks and

SBI group, data on fraud cases, in which the staff involvement has been reported by the banks is as under:—

Year	No. of fraud cases	Amount involved (Rs. in crores)
2008	728	266.41
2009	711	411.21
2010	657	400.32

In terms of number of fraud cases there has been a declining trend over past three years, while in terms of amount involved, there has been fluctuating trend.

(c) and (b) On receipt of fraud reports from nationalized banks and SBI group, they are advised to examine staff accountability and complete proceedings against the erring staff within the time limit prescribed by Central Vigilance Commission. RBI has further advised the concerned banks to report the case to CBI/Police/SFIO, examine staff accountability, complete proceedings against the erring staff expeditiously, take steps to recover the amount involved in the fraud, claim insurance wherever applicable and streamline the system as also procedures so that frauds do not recur.

Banks have further been advised by the RBI to scrupulously follow the time limit laid down for conducting investigation and departmental enquiries and to improve their vigilance machinery and procedures and strictly adhere to the time schedule laid down by the CVC. Furthermore, banks are advised to have the position reviewed by their Boards on a quarterly basis and where ever there has been undue deviation from the time frame prescribed by the CVC, the matter should be reported alongwith the reasons therefor to the Central Vigilance Commission under advice to RBI.

#### ***Customs duty on purchase of ships***

2047. SHRI KANJIBHAI PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the Central Government is aware that high customs duty on purchase of ships for ship breaking in comparison to duty on melting scrap is crippling the ship breaking industry; and

(b) if so, whether Government proposes to reduce customs duty on purchase of ships for ship breaking in the financial year 2011-12 in order to boost production of secondary steel from ship breaking?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir. Representations seeking reduction in customs duty on ships imported for breaking have been received.