

under a multi-pronged strategy which includes creating an appropriate legislative framework; setting up institutions to deal with illicit funds; developing systems for implementation; imparting skills to the manpower for effective action; and joining the Global crusade against black money. Legislative measures taken through the Finance Act, 2012 in this regard include introduction of provisions requiring reporting of assets (including bank accounts) held outside the country; reopening of assessments up-to 16 years for taxing undisclosed assets (including bank accounts) kept outside the country; strengthening of penal provisions in respect of search cases; expansion of the ambit of tax collection at source (TCS) to cover certain more vulnerable items/sectors. India has been renegotiating its Double Taxation Avoidance Agreements (DTAAs) with other countries to bring the Article on Exchange of Information to International standards, and has also been expanding its treaty network by signing new DTAAs with many other countries and by entering into Tax Information Exchange Agreements (TIEAs) with many tax jurisdictions in its effort to facilitate the exchange of information and to bring in tax transparency. It has also become a member of the Multilateral Convention on Mutual Administrative Assistance in Tax Matters in 2012. Various steps have also been taken to improve intelligence gathering mechanism of the Department. These steps have equipped the Government better in tackling the menace of tax evasion.

(c) No, Sir. The Government has taken various measures to address the issue of tax evasion as illustrated in reply to part (b) above.

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

(e) Does not arise in view of replies to parts (c) and (d) above.

#### **Increase in stressed assets of banks**

2387. SHRI N.K. SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is a growing instances of stressed assets, including restructured debts and Non-Performing Assets in public sector banks;

(b) if so, the details thereof;

(c) whether Government has undertaken any measures to improve the asset quality weakness; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) The details of Gross Non-Performing Assets (GNPAs), GNPAs to Gross Advances ratio, Restructured standard Advances and Restructured standard Advances to Gross Advances ratio of the Public Sector Banks (PSBs) for the years 2010-11, 2011-12 and 2012-13 (till December 2012) are as under:

(Amount in Rs. crore)

Year	Gross NPAs (Amount)	Gross NPAs to Gross Advances	Restructured standard Advances (Amount)	Restructured standard Advances to Gross Advances
2010-11	71,080	2.32%	1,29,810	4.24%
2011-12	1,12,489	3.17%	2,03,637	5.74%
2012-13 (till December 2012)	1,56,322	4.18%	2,77,405	7.41%

Source: RBI

(c) and (d) To improve the health of the financial sector, to reduce the NPAs, to improve asset quality of banks and to prevent slippages, Reserve Bank of India (RBI) has issued instructions for all banks, which are followed by all PSBs as well. Besides, the Government has advised PSBs to take a number of new initiatives to increase the pace of recovery and manage NPAs, which include appointment of Nodal officers for recovery, to conduct special drives for recovery of loss assets, to put in place early warning system, to replace system of post dated cheques with Electronic Clearance System (ECS) and to constitute a Board level Committee for monitoring of recovery. RBI has advised banks to review NPA accounts of Rs. 1 crore and above by Board of Directors and top 300 NPA accounts by Management Committee of the Board.

Parliament has recently enacted The Enforcement of Security Interest and Recovery of Debts Laws (Amendment) Act, 2012 for removing certain bottlenecks in the recovery of bad debts. The Amendment Act has come into force from 15.01.2013.

The steps taken by the Government and RBI have resulted in improvement in recovery of NPAs. The recovery of NPA by PSBs has increased from Rs. 9,726 crore (March 2010) to Rs. 13,940 crore (March 2011), Rs. 17,043 crore (March 2012) and Rs. 10,815 crore (September 2012).

**Levy of service tax on film fraternity**

2388. SHRIMATI JAYA BACHCHAN: Will the Minister of FINANCE be pleased to state:

- (a) whether Government has levied service tax on artists and film fraternity;
- (b) if so, the details thereof;
- (c) whether Government has taken note of the protests by artists against this tax;
- (d) whether Government plans to withdraw these taxes;
- (e) if so, the details thereof; and
- (f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) (i) With effect from 01.07.2012, new comprehensive approach of taxation of services based on negative list has been introduced. In the said approach all the services are subjected to service tax except

- services mentioned in the negative list
- services exempted from service tax

(ii) Specific exemptions given in relation to artists and film industry, are as follows:

- Services by a performing artist in folk or classical art forms of music, dance or theatre
- Services in relation to use of copyright for original literary, dramatic, musical and artistic work

Other services of the artists have become taxable with effect from 01.07.2012 subject to threshold limit of Rs. 10 lakh per annum for such artists.