

(c) and (d) FIU-IND had also taken-up the matter with the banks concerned and has reported that HDFC Bank and ICICI Bank have suspended their employees reported in the sting operation. Axis Bank has transferred their involved employees from operational assignments to administrative office and the user access of the employees to certain systems of the bank has been disabled.

Refusal to grant loans for LIG expandable flats

3151. SHRI AVTAR SINGH KARIMPURI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that public sector banks are not providing housing loan for the second and third floors constructed at LIG expandable flats allotted by DDA;

(b) if so, the reasons therefor;

(c) whether Government proposes to issue instructions to the banks to provide housing loan for second and third floors on those flats; and

(d) if so, by when the instruction are likely to be issued?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) No, there is no restriction for extending housing loans for second & third floors to be constructed at LIG expandable flats allotted by DDA. Bank provides loan for the same if construction plan/ map for the proposed extension is duly approved by the Authority, the property is otherwise free from any litigation and other eligibility norms as stipulated in the housing loan policy of that bank are satisfied by the applicant.

(c) and (d) Does not arise.

Selection of inquiry agency in agriculture loan waiver scheme

†3152. SHRI RAM JETHMALANI: Will the Minister of FINANCE be pleased to state:

(a) whether Government has conducted any inquiry for the charges regarding certain irregularities in the loan waiver scheme implemented by Government during the last few years;

(b) if so, the person/organisation entrusted upon the responsibility for the inquiry; and

†Original notice of the question was received in Hindi.

(c) the reasons for which the responsibility of this inquiry has been assigned to the banking department only and not to any other organisation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) The Comptroller & Auditor General of India (CAG) had undertaken a Performance Audit of the Agricultural Debt Waiver and Debt Relief Scheme (ADWDRS), 2008. The Report of CAG has since been laid on the Table of both the Houses of Parliament on 5th March, 2013.

Based on the feedback during Exit Conference with CAG, the Government on 11.01.2013 advised the Reserve Bank of India (RBI) and NABARD to take action with regard to the observations of CAG, which in turn instructed their lending institutions to take appropriate remedial measures. The Government has also on 15.2.2013 directed RBI, NABARD and all Public Sector Banks to take immediate corrective action based on the observations of audit.

Functioning of post offices as banks

3153. SHRI C.P. NARAYANAN: Will the Minister of FINANCE be pleased to state:

(a) the reasons for not allowing Indian Post Office system to function as a banking system to mop up money lying idle with people while the declared policy of the Union Government is inclusive development and extension of banking operations to all rural people;

(b) whether post would be enrolled as one among the new banks with about 1,55,000 branches all over the country and with a good track record of successfully running Post Office Savings Bank for many years; and

(c) whether it is possible to substantially improve the quality of service of post offices in the process if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) Department of Posts raised a proposal for setting up the Post Bank of India and providing banking services with a network of 1.55 lakh post offices with special focus on rural areas and financial inclusion. Reserve Bank of India (RBI) has informed that all commercial banks have been constituted by the Government by various Acts of the Parliament. Hence, to set up the Post Bank of India (PBI) by an Act of Parliament, necessary legislation will need to be framed