

assessment of Hassan Ali Khan and connected persons, resulting in substantial tax dues. Hassan Ali Khan has preferred an appeal against the assessment order, which is pending adjudication before the Income Tax Appellate Tribunal, Mumbai.

(b) During the search, certain documents relating to alleged transfers of money were found. The Income Tax Department has no information regarding transfers, if any, post-search. Requests have been made through the designated Competent Authorities to obtain the complete details of overseas bank accounts.

(c) As per the provisions of income Tax Act, 1961, the income of a resident accruing or arising to him outside the country is to be taxed. Subject to the provisions of agreements with other countries, the taxes may be recovered out of such foreign assets.

Sanctioning power under AIBP and FMP

1262. SHRI JAGAT PRAKASH NADDA: Will the Minister of FINANCE be pleased to state:

(a) whether the Ministry of Water Resources does not have the power to sanction and release grant in aid under the Accelerated Irrigation Benefit Programme (AIBP) and Fluorosis Mitigation Programme (FMP) and grants-in-aid under these programmes can be sanctioned only by the Department of Expenditure in the Ministry;

(b) if so, the reasons therefor; and

(c) the reasons for not letting the Central Water Commission to recommend release of grant in aid directly to the Finance Ministry since the Ministry of Water Resources is only to recommend and there being no value addition at that level?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JESUDASU SEELAM): (a) to (c) Under Accelerated Irrigation Benefits Programme (AIBP) and Flood Management Programme (FMP), different agencies like Central Water Commission (CWC), Ganga Flood Control Commission and Brahmaputra Board, in their respective jurisdictions, provide necessary technical guidance to the State Governments in preparation and submission of the proposals in time for appraisal and release of Central assistance and recommend proposals to Ministry of Water Resources (MoWR) for release of Central assistance. These agencies also carry out monitoring of projects. MoWR ensures fulfillment of conditions of the scheme(s) and signing of Memorandum of Understanding with the respective State Governments for adhering to the conditions of Central assistance and after examining inter-se

availability of funds for States, sanctions projects under AIBP and recommends proposals for release of funds to Department of Expenditure in consultation with their Integrated Finance Unit. Additional Central Assistance (ACA) to State Plans under Demand No. 36 for various programmes/schemes, including AIBP is released by Ministry of Finance. Further, Government, while considering restructuring of Centrally Sponsored Schemes in 12th Plan, has decided that for all CSS/ACA schemes, funds will be placed with the administrative Ministries for transfer to the States and this mode of transfer may be implemented in a phased manner in BE 2014-15. However, there is no scheme of Fluorosis Mitigation Programme (FMP) under which funds are released by Ministry of Finance or by Ministry of Water Resources.

Cancellation of Licenses of loss making Co-operative Banks

1263. SHRI N.K. SINGH: Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India (RBI) has recently decided to cancel licenses of loss making Co-operative Banks across country;
- (b) if so, the details of the Co-operative Banks continuously incurring losses in the last five years;
- (c) the reasons of incurring losses by those Co-operative Banks and whether any efforts were made to make them out of red; and
- (d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) The Reserve Bank of India (RBI) has reported that there is no proposal to cancel the licences of loss making Urban Co-operative Banks (UCBs) across the country. Details of the UCBs continuously incurring losses in the last five years are given in Statement-I (*See below*). As regards the Rural Co-operative Banks, National Bank for Agriculture & Rural Development (NABARD) has reported that no State Co-operative Bank has incurred losses continuously for the last five years. Details of the Districts Central Cooperative Banks (DCCBs) which have incurred losses for the last five years are given in Statement-II (*See below*).

(c) and (d) RBI has reported that some of the Urban Co-operative Banks are incurring losses mostly on account of high level of NPAs, high operating expenses, high staff cost (due to overstaffing), frauds, lack of professional expertise, etc. RBI has advised those UCBs whose financial position is not strong to take steps to improve their financial health by stepping up recovery of NPAs, preventing fresh slippages into NPAs, curtailing operational expenses, exploring ways to increase fee-