

(c) whether the Reserve Bank of India (RBI) has asked the banks not to punish the customers for not maintaining minimum balance; and

(d) if so, the response received from the banks in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIMATI NIRMALA SITHARAMAN): (a) to (d) Banks do charge the customers for non-maintenance of minimum balance. In this regard, Reserve Bank of India (RBI) has advised banks that “At the time of opening the accounts, banks should inform their customers in a transparent manner the requirement of maintaining minimum balance and levying of charges, etc., if the minimum balance is not maintained. Any charge levied subsequently should be transparently made known to all depositors in advance with one month’s notice. The banks should inform, at least one month in advance, the existing account holders of any change in the prescribed minimum balance and the charges that may be levied if the prescribed minimum balance is not maintained”.

Further banks have been advised to offer Basic - Savings Bank Deposits Account (BSBDA) with minimum common facilities, without requirement of any minimum balance. RBI has also advised banks not to levy penal charges for non-maintenance of minimum balance in any ‘Inoperative Account’. Banks’ views are factored in before finalising these instructions.

Implementation of recommendations of FSLRC

1438. DR. CHANDAN MITRA: Will the Minister of FINANCE be pleased to state:

(a) whether Government had set up Financial Sector Legislative Reforms Commission (FSLRC) in 2011 to review and rewrite the legal institutional framework of financial sector;

(b) if so, the main suggestions made by the FSLRC in the matter; and

(c) the steps taken by Government for implementation of the recommendations of the FSLRC?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIMATI NIRMALA SITHARAMAN): (a) Yes, Sir.

(b) The FSLRC has recommended revamping the legislative framework of the financial sector regulatory architecture by a non-sectoral, principle-based approach and restructuring existing regulatory agencies and creating new agencies wherever needed.

The FSLRC has given a draft legislation namely Indian Financial Code as Volume-II of its report. The basic approach of the FSLRC is to provide clear mandate and powers and mechanism for accountability to financial agencies. The tasks /mandate are consumer protection, prudential regulation, resolution mechanism, capital controls, systematic risk, financial inclusion and market development, and monetary policy which need to be addressed in a non-sectoral manner.

(c) The FSLRC report has been examined by the government. Broadly, recommendations of the FSLRC can be divided into two parts, legislative aspects and non-legislative aspects. The non-legislative aspects of the recommendations are relating to governance enhancing measures on consumer protection and greater transparency in the functioning of financial sector regulators; and the same has been accepted and is being implemented by all regulators on a voluntary basis. The legislative recommendations relate to re-writing the laws using a principle based approach, restructuring existing regulatory agencies and creating new agencies. Implementation of these would require wider consultations with stakeholders.

Recovery of pending dues

1439. DR. ANIL KUMAR SAHANI: Will the Minister of FINANCE be pleased to state:

(a) the quantum of tax dues both direct and indirect taxes and as on 31 March, 2014 pending to be recovered on account of Customs Duty, Service Tax and Central Excise;

(b) the details of measures taken to recover the pending dues;

(c) the total number of income tax payers in the country as on 31 March, 2014 and how many of them are disabled; and

(d) whether there is any proposal to declare income earned by disabled person as tax free as they have to spend more on their maintenance than a normal person and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIMATI NIRMALA SITHARAMAN): (a) As on 31st March, 2014, total outstanding dues incase of direct taxes was ₹ 5,75 340 crore. So far as indirect taxes are concerned, the details of pending arrears as on 31 March, 2014 are as under: