

(d) and (e) The comparative details of Profit (loss) of foreign banks and Indian banks (scheduled commercial banks excluding RRBs) during the last three years is as under:

(₹ in crore)

Year	Foreign Banks	Indian Banks
2012 (April-March)	9426 (41 Banks)*	72232 (46 Banks)
2013 (April-March)	11587 (43 Banks)*	79578 (46 Banks)
2014 (April-March)	10132 (43 Banks)*	70773 (47 Banks)

\*No. of banks as on 31st March of the respective year.

Source: Statistical Tables relating to Banks in India as provided by RBI.

### Investigation in chit fund scams in West Bengal and Odisha

104. SHRI BAISHNAB PARIDA: Will the Minister of FINANCE be pleased to state:

- (a) the status of investigation of chit fund scams both in West Bengal and Odisha;
- (b) how far such scams have since been controlled;
- (c) whether Government has worked out or put in place certain stringent measures;
- (d) if so, the details thereof; and

(e) the status of compensation that has been given to the persons who had been duped of their hard earned money by such bogus chit fund companies during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) to (d) Chit fund companies are registered, regulated, supervised and governed by Chit Funds Act, 1982 which is administered by the respective State Governments. Reserve Bank of India (RBI) has only an advisory role to the Central Government/ State Government on any issues raised on the Chit Fund Act, 1982 such as framing rules for giving effect to the provision of the Act. Any complaint received by RBI against any Chit Fund Company is, therefore, forwarded to the concerned State Government for appropriate action.

The Ministry of Corporate Affairs has ordered investigation under Section 235 of the Companies Act, 1956 into the affairs of 95 companies against whom complaints have been received regarding alleged collection of funds from the people of West Bengal and Odisha. Investigations in respect of Saradha Realty India Ltd. and its 13 Group companies and Rose Valley Real Estate and Construction Ltd. and its 18 group companies have been completed.

The Enforcement Directorate has registered cases under the Prevention of Money Laundering Act, 2002 (PMLA) against Rose Valley Group of Companies, apart from the Saradha Group. The estimated amount collected by Rose Valley Group of Companies from investors is to the tune of ₹ 15000 crore. One provisional order for attaching properties worth ₹ 295 crore has been issued under PMLA.

The Securities and Exchange Board of India (SEBI) has passed orders against Eight Companies registered with the Registrar of the Company, for West Bengal for undertaking unregistered activities of Collective Investment Schemes (CIS).

Central Bureau of Investigation (CBI) has informed that the Hon'ble Supreme Court of India *vide* order dated 09/05/2014 passed in Writ Petition (Civil) No. 413 of 2013 filed by Shri Alok Jena directed that the investigation of the following cases registered in different police stations in the State of West Bengal and Odisha be transferred from State Police Agency to CBI.

**State of West Bengal:**

- (i) All cases registered in different police stations of the State against Saradha Group of Companies including Crime No.102 registered in the Bidhannagar P.S., Kolkata (North) on 6th May, 2013 for offences punishable under section 406, 409, 420 and 120-B of IPC.
- (ii) All cases in which the investigation is yet to be completed, registered against any other company upto the date of this order.
- (iii) The CBI shall be free to conduct further investigation in terms of Section 173(8) of the Cr.P.C. in relation to any case where a charge-sheet has already been presented before the jurisdictional court against the companies involved in any chit-fund scam.

**State of Odisha:**

All cases registered against 44 companies mentioned in order dated 26th March, 2013 passed in Writ Petition (C) No. 413 of 2013. The CBI is also permitted to conduct further investigations into all such cases in which charge sheets have already been filed.

In compliance with the above mentioned order of the Hon'ble Supreme Court of India, 57 cases have been registered in the States of West Bengal and Odisha by CBI. 47 persons have been arrested in different chit fund scams in West Bengal and Odisha. 7 charge sheets have already been filed in 6 cases and further investigation continues in these cases, *i.e.*, in one of these 6 charge sheeted cases, a supplementary charge sheet has also been filed.

In compliance with the above mentioned order of the Hon'ble Supreme Court of India, CBI is also investigating the larger conspiracy angle, the involvement of political and other influential personalities in these cases as well as the money trail and the role of regulators like SEBI, authorities under the Companies Act and the Reserve Bank of India.

As regards strengthening of the existing legal framework for unauthorised deposit collection is concerned, under the recently amended SEBI Act, 1992, in addition to CIS as defined under section 11AA(2), any pooling of funds under any scheme or arrangement, which is not registered with SEBI or is not covered under sub-section (3) of section 11AA, involving a corpus of One Hundred Crore Rupees or more, would be deemed to be CIS. Further, any scheme conforming to the conditions of SEBI regulations would also be covered under the definition of CIS. Therefore, SEBI has been empowered to regulate all major schemes, which are unauthorised / unregistered as above. SEBI has wide powers of investigation and prosecution under the SEBI Act, 1992.

The coordinating mechanism by the name 'State Level Coordination Committee' (SLCC) has been set-up with a view to having greater coordination between RBI and other regulatory enforcement agencies. This mechanism is used by the regulators and enforcement agencies to share information among themselves about various unscrupulous entities carrying on questionable / unauthorised activities including mobilisation of money / deposit. SLCC has been recently reconstituted in May, 2014 to ensure regular participation of senior functionaries and to facilitate cohesive and effective information sharing amongst the participants. The SLCC meetings are now chaired by the Chief Secretaries of the State Governments and Administrators of the Union Territories. The frequency of the meetings has also been increased, which are now being conducted on quarterly intervals as against half yearly earlier. These measures are intended to have a far reaching impact in ensuring effective information sharing amongst the participants at regular intervals to quickly identify and take effective action against entities indulging in unauthorised and suspect business involving fund mobilisation from gullible public.

(e) The information is being collected and will be laid on the table of the House.

#### **Loan restructuring of IPP projects**

105. DR. T. SUBBARAMI REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether panel of bankers led by IIFCL Chairman submitted report to Government to suggest ways to sort out financing issues to projects of Independent Power Producer (IPP);