

High Court.

Central Interest Subvention Scheme

1662. SHRI VAYALAR RAVI: Will the Minister of FINANCE be pleased to state:

- (a) whether Government has taken any decision to stop the Central Interest Subvention Scheme for Co-operative loans to the farmers; and
- (b) if so, the details thereof and the reasons therefor for such decision?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) and (b) No, Sir. The existing Interest Subvention Scheme of the Government for Short Term Crop Loans upto ₹ 3.00 lakh is applicable to Public Sector Banks, Private Sector Scheduled Commercial Banks (in respect of loans extended by their rural and semi urban branches), Cooperative Banks and Regional Rural Banks.

Steps taken to check gold smuggling

1663. SHRI DEREK O BRIEN: Will the Minister of FINANCE be pleased to state:

- (a) the initiatives taken by Government to check the increase in gold smuggling in India;
- (b) whether the Directorate of Revenue Intelligence (DRI) had seized over 175 tonnes of gold smuggled into the country in 2014, as according to the World Gold Council; and
- (c) the initiatives taken by Government to stop gold smuggling at the sea route connecting Sri Lanka and Tamil Nadu?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA) : (a) Government has taken several initiatives to check the increase in gold smuggling.

Sophisticated door frame metal detectors, hand held metal detectors and X-rays baggage machines are provided to detect gold smuggling. Regular rummaging of aircrafts, scanning of passenger baggage are done thoroughly to detect concealment. Ground Handling agencies, immigration, security and airport officials are sensitized. Arrests and prosecution under Customs Act and action under COFEPOSA are also initiated against the accused persons in deserving cases.

(b) No, however, the details of seizure of smuggled gold made by the Directorate of Revenue Intelligence (DRI) during the financial year 2014-15 are as follows:-

Year	No. of gold seizure cases	Value of the gold seized (₹ in crore)
2014-15	169	274.8

(c) Sources are regularly contacted and patrolling is being conducted along the coastal areas to prevent gold smuggling through sea route connecting Sri Lanka and Tamil Nadu. Further, actionable intelligence is shared with agencies like Coast Guard, IB, State police to check any untoward movement of persons or goods in the sea route connecting Sri Lanka and Tamil Nadu. Alerts and *modus operandi* circulars are also issued from time to time to sensitize the field formations.

**Permission to banks to borrow from global
multilateral financial institutions**

1664. SHRI PAUL MANOJ PANDIAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India (RBI) has decided to allow banks to borrow from global multilateral financial institutions for general banking business;

(b) whether it is also a fact that the bank can seek such loan from global institutions without seeking the approval from RBI;

(c) whether it is also a fact that the RBI has made it clear that such borrowings should not be for capital augmentation; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) to (d) Reserve Bank of India (RBI) *vide* its circular dated June 25, 2015 has permitted Authorised Dealer (AD) Category - I banks to borrow from International/Multilateral financial institutions without approaching Reserve Bank for a case by case approval. These shall include International/Multilateral Financial Institutions of which Government of India is a shareholding member or which have been established by more than one Government or have shareholding by more than one Government and other international organizations. Such borrowings should be for the purpose of general banking business and not for capital augmentation.