Huge withdrawal of new currency notes

*174. SHRI KIRANMAY NANDA: Will the Minister of FINANCE be pleased to state:

(a) whether Government has been able to find out the ways by which new currency notes have been withdrawn in spite of restrictions over withdrawal of new currency after demonetisation;

(b) if so, whether banking system is at fault due to which such huge transactions have been possible; and

(c) the steps proposed to be taken to prevent occurrence of such a situation in future?

THE MINISTER OF FINANCE (SHRI ARUN JAITLEY): (a) to (c) The Government did find out various ways in which new currency notes were withdrawn from Banks post-demonetisation. Income Tax Department detected several ways of such manipulation including through employing persons to exchange the old denomination notes, use of duplicate KYC documents and shadow entities for conversion of unaccounted cash held in Specified Bank Notes into legal tender.

Cooperative banks, credit societies and other banks were found to be at fault and involved in helping people for conversion of unaccounted cash, through various methods. Appropriate action in such cases have been taken. During the period 9th November, 2016 to 10th January, 2017, more than 1100 searches and surveys were conducted by the ITO, apart from issuing more than 5100 verification notices in the cases of suspicious high value cash deposits or related activities. These actions led to seizure of valuables of more than ₹ 610 crore which includes cash of ₹ 513 crore. Seizure of cash in new currency notes was about ₹ 110 crore. The undisclosed income detected in these actions was more than ₹ 5400 crore.

Several measures were taken for preventing such malpractices. Appropriate reporting system was put in place by RBI to keep track of issuance of bank notes by the Currency Chests. The banks were directed to maintain, at the Currency Chest level and at link branches level, a Daily Record of issuances showing the serial numbers of bank notes in the denominations of ₹ 500 and above on daily basis and preserve such records for a period of two years and made available for scrutiny

during inspection conducted by Chest Inspection Officials of RBI and/or Banks' Internal Auditors.

Income-tax Rules were also amended to provide that banks shall obtain and link PAN or Form No. 60 (where PAN is not available) in all existing bank accounts (other than Basic Savings Bank Deposit Account) by 28.02.2017, if not already done. Further, w.e.f. 01.07.2017, linking of Aadhar with Permanent Account Number (PAN) has been made mandatory for filing Income Tax Returns and obtaining new PAN.

Reusing of medical devices by hospitals

*175. SHRIMATI RENUKA CHOWDHURY: Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) whether Government is aware that most of the private hospitals are not only reusing medical devices meant for single use but also charging multiple patients for the same device;

(b) if so, the details of such cases reported so far, State-wise, along with the reasons for inaction in the matter; and

(c) the steps taken by Government to check such unethical and unhealthy practices?

THE MINISTER OF HEALTH AND FAMILY WELFARE (SHRI JAGAT PRAKASH NADDA): (a) and (b) Health is a State subject and such complaints would generally be addressed to the State/Union Territory concerned. Data regarding complaints received by States is not maintained centrally. Taking action to prevent and control such practices, is within the remit of State Government.

(c) The Government of India has enacted the Clinical Establishments (Registration and Regulation) Act, 2010 and notified Clinical Establishments (Central Government) Rules, 2012 for registration of Clinical Establishments with a view to prescribe the Minimum Standards of facilities and services provided by them. Under the said Act, the National Council for Clinical Establishments has approved Minimum Standards for different levels of Hospitals. These minimum standards *inter alia* provide that the hospitals should have adequate drugs, medical devices and consumables commensurate to the scope of services and number of beds. These standards further provide that the quality of drugs, medical devices and consumables