Under the Black Money Act, a one-time compliance opportunity for a limited period was provided to those persons who have any foreign assets which have hitherto not been disclosed for the purposes of Income-tax. In this compliance window, which closed on 30th September, 2015, 648 declarations involving undisclosed foreign assets worth over ₹ 4100 crore were made. An amount of over ₹ 2470 crore has been collected by way of tax and penalty in such cases.

Suitable action against the persons who have undisclosed foreign assets and income is taken under the Black Money Act. Such actions include enquiries, assessment of income, levy of taxes, penalties and filing of prosecution complaints in criminal courts, wherever applicable.

Rationalisation of staff and branches after merger of banks

2926. PROF. MANOJ KUMAR JHA: Will the Minister of FINANCE be pleased to state:

(a) whether the decision to merge the Bank of Baroda, Dena Bank and Vijaya Bank will lead to rationalisation of staff and bank branches;

(b) whether the Boards of Bank of Baroda, Dena Bank and Vijaya Bank have consented to the amalgamation of the three Public Sector Banks (PSBs);

(c) whether the Boards of the concerned Public Sector Banks (PSBs) have representation of the bank officers and employees;

(d) whether turnaround plans for these Public Sector Banks (PSBs) were adopted earlier by the Banks Boards; and

(e) if so, what would be the status of the turnaround plans if the banks are merged?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) to (e) The Banking Companies (Acquisition and Transfer of Undertakings) Acts of 1970 and 1980 provide that the Central Government, in consultation with the Reserve Bank of India (RBI), may make a scheme, *inter alia,* for the amalgamation of any nationalised bank with any other nationalised bank or any other banking institution. Various committees, including Narasimhan Committee (1998) constituted by RBI, Leeladhar Committee (2008) chaired by RBI Deputy Governor, and Nayak Committee (2014) constituted by RBI, have recommended consolidation of Public Sector Banks

(PSBs) given underlying benefits/synergies. Taking note of this and potential benefits of consolidation, Government, with a view to facilitate consolidation among Public Sector Banks to create strong and competitive banks, that may serve as catalysts for growth with improved risk profile of the bank, approved an approval framework for proposals to amalgamate PSBs through an Alternative Mechanism (AM).

AM, after consulting RBI, in its meeting held on 17.9.2018, approved that Bank of Baroda (BoB), Vijaya Bank and Dena Bank may consider amalgamation of the three banks. As per information received from banks in this regard, after consideration of the amalgamation, the Boards of BoB and Vijaya Bank gave their in-principle approval and the Board of Dena Bank recommended for amalgamation. After considering banks and RBFs inputs, AM in its meeting held on 20.12.2018 gave in-principle approval for the amalgamation of BoB, Vijaya Bank and Dena Bank. After obtaining RBI inputs, Government has notified the scheme of amalgamation for amalgamating Bank of Baroda, Vijaya Bank and Dena Bank. Further, it may be noted that the amalgamation will help in harnessing scale and synergy benefits, including through optimisation of banking network and resources, and thereby facilitate a wider offering of products and services, easy access to credit along with benefits for public at large in terms of enhanced access to banking services through a stronger network, and access to bank employees to a wider pool of opportunities. Further, the scheme of amalgamation protects employee interests by providing that every serving employee of the amalgamating banks shall be an employee of the amalgamated bank and shall continue to work in accordance with Board-approved terms and conditions of service, and that the Board of the amalgamated bank shall ensure that the interests of all employees of the amalgamating banks are protected. With regard to representation of bank officers and employees in PSBs, the Banking Companies (Acquisition and Transfer of Undertakings) Acts of 1970 and 1980 provide for workmen and non-workmen employee Directors on the Boards of nationalised banks. As on date, there is vacancy in these positions.

As regards turnaround plans, out of the three aforesaid banks, turnaround plans were approved by the Board of Dena Bank in the second quarter of financial year 2017-18. Subsequently, the bank informed that, upon placement of Government's communication intimating the approval framework for consolidation of banks in its meeting held on 27.10.2017, Board members were positive on the issue of consolidation and wanted that the bank should study the balance-sheet and the synergies of some other PSBs for further deliberation on the matter. Thereafter, the bank informed that its Board, in its meeting held on 24.9.2018, gave approval for recommending amalgamation

of Dena Bank, Bank of Baroda and Vijaya Bank. Thus, subsequent to approval of the turnaround plan, the bank's Board has approved recommending the amalgamation. In this regard, it may be noted that as per the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the general superintendence direction and management of the affairs and business of the bank vests in its Board and further, that as per the General Clauses Act, 1897, any power conferred by any Central Act is exercisable from time to time as occasion requires.

Capital infusion after merger of banks

2927. PROF. MANOJ KUMAR JHA: Will the Minister of FINANCE be pleased to state:

(a) what are the amounts of taxes and dividends paid by the Bank of Baroda, Dena Bank and Vijaya Bank to Government during the past three years;

(b) how much capital has been infused in the concerned Public Sector Banks (PSBs) by Government as a part of recapitalisation;

(c) whether Government expects the amalgamation of the three Public Sector Banks (PSBs) to lead to better financial results of the merged entity;

(d) if so, what would be the basis of such improvement; and

(e) the financial result of the merger of the present State Bank of India with its subsidiaries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) As per information furnished by Bank of Baroda, Dena Bank and Vijaya Bank, the three banks paid total Central taxes and dividend of ₹ 8,639 crore during the last three financial years.

(b) Government of India (GoI) announced recapitalisation of Public Sector Banks (PSBs) to the tone of ₹ 2.11 lakh crore in October, 2017, through infusion of capital by the Government and raising of capital by banks from the markets. Pursuant to the announcement, capital amounting to ₹ 9,697 crore has been infused in Bank of Baroda, Dena Bank and Vijaya Bank by the Government as part of the said recapitalisation.

(c) and (d) The Banking Companies (Acquisition and Transfer of Undertakings) Acts of 1970 and 1980 provide that the Central Government, in consultation with the Reserve Bank of India (RBI), may make a scheme, *inter alia,* for the amalgamation of