

contravention is less than Rs. 50 lakhs or where value of foreign exchange seized is less than Rs. 20 lakhs; and

(b) if not, the reasons for people being prosecuted who fall in the above category?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Section 56 of the Foreign Exchange Regulation Act (FERA), 1973 [since repealed and replaced by the Foreign Exchange Management Act (FEMA), 1999] contained provisions for filing criminal prosecutions for various types of contraventions/offences under the above-mentioned Act, including unauthorised dealings in foreign exchange. The provisions of the said Act did not intend that prosecution be filed in each and every case. Prosecutions under the FERA were thus filed after taking into consideration factors including, *inter alia*, the severity of the contravention/offence with reference to the objects of that Act and the amount involved in the contravention/seizure, as per the administrative guidelines existing at the relevant time. These administrative guidelines, internally reviewed from time to time, were advisory in nature and did not have the effect of over-riding the statutory provisions of the FERA.

(b) Prosecutions were filed in accordance with the provisions of the FERA and the guidelines applicable at the relevant time.

### **Property Returns of Executives of Banks**

2731. SHRI C. RAMACHANDRAIAH: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether annual property returns by Chairman and Executive Directors of Nationalised Banks, SBI and its associates are being received by Government and/or the concerned banks and the RBI;

(b) if not, how the financial status of the concerned executive is evaluated by Government to ensure that they do not indulge in financial irregularities and corruptions; and

(c) if the reply to part (a) above be in the affirmative, the names of defaulters who have not regularly filed their annual returns during the last three years and the action taken against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) As per terms & conditions prescribed for appointment of whole time directors of public sector banks, the executives are required to submit returns of assets and liabilities on first assuming office and thereafter on the first day of April every year to the Central Government in prescribed forms. These declarations *inter alia* include immovable property owned, acquired or inherited by the executives or held by them on lease or mortgage either in his own name or in the name of any members of his family. These returns are scrutinised and kept on record for future reference in case any enquiry/proceeding related to disproportionate increase in the assets of any executive is taken up.

As these returns are required to be submitted regularly every year, follow up action are taken as indicated above and in case of non-receipt, steps are taken for submission/rectification of the returns.

#### **Investment ceiling on divested PSUs**

2732. SHRI RAJKUMAR DHOT: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that the Government have decided to put an investment ceiling on divested public sector undertakings;

(b) if so, the details thereof; and

(c) whether the ceiling will be on a uniform basis or it will be decided on the merit of each case?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No Sir.

(b) and (c) Do not arise.

#### **Scheme for Duty Free Imports**

2733. SHRI K. RAMA MOHANA RAO: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that Government have notified a scheme for duty-free imports of inputs and material by the developers of the special economic zones;