

[21 December, 1999]

RAJYA SABHA

Tax Incentives Regime

*329. SHRIMATI VEENA VERMA: Will the Minister of FINANCE be pleased to state:

(a) whether at the Chief Ministers' Conference held in New Delhi on November 16, 1999, it was decided to do away with tax incentives to attract industrialisation in the States; and

(b) if so, whether any tax incentive regime for industrialisation of the identified "No Industry" areas and districts is continuing or contemplated; if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DHANANJAYA KUMAR): (a) and (b) In the Conference of Chief Ministers and Finance Ministers convened by the Union Finance Minister on 16th November, 1999, it was decided that the offer or grant of any new incentive based on sales tax for attracting industries shall be discontinued from 1.1.2000 by all the States. However, the existing tax incentive schemes of the Government of India as well as of the State Governments will not be discontinued.

Forgery and Cheating in Transfer of Share Certificates by Delhi Stock Exchange

*330 SHRI ANANTRAY DEVSHANKER DAVE: Will the Minister of FINANCE be pleased to state:

(b) whether it is a fact that the Securities and Exchange Board of India has received certain complaints of forgery and cheating in transfer of Share Certificates by the Delhi Stock Exchange;

(c) if so, what are the details of complaints received against the DSE during the last two years;

(d) whether it is a fact that no action has been taken so far by SEBI on these complaints against the guilty; and

(e) if so, what are the reasons therefor and what action Government propose to take to ensure that Share Certificates are transferred to the original holders?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The Securities and Exchange Board of India (SEBI) has intimated that it has received only one complaint against the Delhi Stock Exchange (DSE) under the signatures of Shri Rajendra Kumar and Shri Subesh Kumar, in December, 1997, alleging that officials of DSE had committed an offence of forgery and cheating in respect of share transfer form dated 13.5.67, pertaining to sale of share certificate No. 149 of DSE Association Ltd., which was originally held by Shri Milkhy Ram Sharma. After the death of Shri Milkhy Ram Sharma, the certificate was transmitted in the name of his wife Smt. Tarawati Sharma and her three minor sons in July, 1952 and subsequently transferred in favour of one Shri Sudershan Bahadur Dewan in May, 1967. The complainant had alleged that the signatures of Smt. Tarawati and one of her sons Shri Ramesh Kumar were forged while effecting this transfer to Shri Dewan.

(f) ©and (d) SEBI took up the complaint with DSE and advised it to examine the allegations on merit. DSE in their report suggested that the complainant be asked to establish charge of forgery in a criminal court and then obtain an appropriate order from the Company Law Board for rectification of the Register of Members. SEBI agreed with the views of DSE. The complainant was informed about SEBI's and DSE's views. The complainant reverted to SEBI in June, 1998 with a request that DSE be asked to produce the relevant documents on the strength of which legal heirs of Shri Sharma were brought on record so that names of the persons involved in fraudulent transaction be identified to enable filing of a criminal complaint. SEBI advised the complainant to establish his identity and claim as a legal heir before DSE and obtain photo-copies of the relevant papers, because DSE had earlier informed that Shri Rajendra Kumar was not a legal heir of Smt. Tarawati Sharma as per their records. Subsequently, the complainant did not approach, SEBI and, therefore, the complaint has been treated as closed by SEBI.

Disappearance of Companies with Share Capital

†*331. SHRI DINA NATH MISHRA: Will the Minister of FINANCE be pleased to refer to answers to the Unstarred Question