

Converting Urban Cooperative Banks into Private Banks

921. SHRI SURESH KALMADI; Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government propose to permit the Urban Cooperative Banks to convert themselves into private Banks with widely held shares; and

(b) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) Under the existing legal framework Urban Co-operative Banks are registered under the respective State Co-operative Societies Act and are governed for purposes of registration, administration and Management by the Registrar of Co-operative Societies of the State. The regulation and control of their banking operation is vested with the Reserve Bank of India under the Banking Regulation Act, 1949 (as applicable to Co-operative Societies) There is no provision at present for conversion of Urban Co-operative Banks into a company governed by the provisions of the Companies Act, 1956. Till any changes are made, the urban banks will continue to be licensed under existing licensing policy. Vacant accommodation in New York belonging to India investment centre

@922. SHRI RAMDAS AGARWAL: SHRI MENTAY PADMA-

BHAM:

SHRI MD. SALIM :

-SMT. SARALA MAHESHWARI:

Will the Minister of FINANCE be pleased to state:

(a) Whether it is a fact that the Indian Government paid dollar 144.00 (over Rs. 43 lakhs) in foreign exchange dur-

@Previously Unstarred question 213 transferred from 24th Feb. 1993.

ing the last 18 months to hold on four vacant rooms that housed the defunct India Investment Centre (IFC in New York as reported in the Economic Times dated 13th January, 1993; and

(b) if so, since when IIC's office had been lying- vacant and why no Indian Government Official cared to take the initiative to rent the space to avoid BO-necessary payment of such a huge amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) Indian Investment centre had vacated its erstwhile New York Office premises on 30.6.1991 and handed over possession to State Trading Corporation on 1.7.1991. The STC had informed that as per the lease agreement effective upto 1998, presently they are paying rent to the landlord US dollar 51 per sq. foot, inclusive of electricity charges and efforts taxes and service charges, and efforts are being made by STC to rent out the vacant space to reduce financial loss.

Requests to prevent under Invoiced import;

923. SHRI P. UPENDRA; Will the Minister of FINANCE be pleased to state:

(a) whether a number of underinvoiced imports of floppy diskettes have come in the notice of Government;

(b) whether the Electronic Component Industries Association has requested Government to immediately crack down on those underinvoiced imports to plug revenue loss and to save the indigenous units; and

(c) what action is being taken by Government in (this regard)?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY):

(a) No, Sir.

(b) No representation has recently been received from Electronic Component Industries Association requesting Government to immediately crack down on under-invoiced imports of floppy diskettes to plug revenue loss and to save indigenous units; and

(c) Although no representation has recently been received from Electronic Component Industries Association, the Special Intelligence units in the Customs Houses and Directorate of Revenue Intelligence, and Central Intelligence Bureau at All India level keep a watch on any attempt of under-invoiced imports, whenever any such case is detected action in terms of the provisions of Customs Act, 1962, is taken.

Full convertibility of rupee on trade account

924. SHRI P. UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering full convertibility of rupee on trade account;

(b) whether it is a fact that economists and industrialists have expressed differences on the timing of such convertibility; and

(c) if so, what action Government are contemplating in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c) While

the industrialists in general favour current account convertibility at the earliest economists in favour of an early unification of the exchange rate and a gradual movement towards convertibility depending on the balance of payments situation.

It is the intention of the Government to move towards full convertibility on the current account over a period of two to three years. A major step in this direction has been taken in the Union Budget presented to the Parliament on 27th February 1993 by unifying the exchange rate.

-Tax dues against companies

925. SHRI P. UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a large number of companies both in private and Public sectors, are in arrears in the payment of excise duty and income tax;

(b) what is the total amount due from such companies as on the 31st December, 1992; and

(c) what steps Government are taking to recover these dues?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASEKHAR MURTHY): (a) and (b) The total amount of Central Excise and Income tax arrears outstanding against companies in the private and public sectors is given below:—

(Rs. in crores)

(As on 31-12-92) Central Excise 1840.51

(As on 30-9-92) Income tax 2164.18

(In respect of cases involving arrears exceeding Rs. 1 crore and above)