

studies on the subject including that of draft report of oIFC while formulating broad policy framework for development of the capital market. All the recommendations of IFC are thus kept in view in deciding on various issues relating to capital market reforms.

(d) Decisions to establish a new Stock Exchange to act as a model Exchange with modern telecommunication facilities and for providing access to investors from all over the country, a National Clearing and Settlement System with a Central Depository, and net working among the Stock Exchanges were announced by the Finance Minister in Parliament on 8th July, 1992. The Finance Minister had also announced in his Budget Speech for 1992-93 that additional powers would be given to SEBI to strengthen its capability. This has been reiterated in the Finance Minister's Budget Speech for 1993-94.

Entry of foreign banks

2578. DR. SANJAYA SINH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the policy followed by the Reserve Bank of India in permitting the entry of foreign banks in the country has been selective, so far; and

(b) if so, what are the details there, of during the last five years till date?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) Permission to foreign banks for opening branches in India is granted by the Reserve Bank of India (RBI) in terms of the provisions of the Banking Regulation Act, 1949. While granting such permission to foreign banks, RBI take into consideration among other things the following factors: —

(i) The international standing of the applicant bank and its financial position.

(ii) The trade and economic relationship between the country of origin of the applicant bank and India.

The existing policy with regard to entry of foreign banks continue to be selective.

(b) During last 5 years, four.. foreign banks opened one branch each and 12 foreign banks opened one representative office each.

Income tax concessions available to Institutions

2579. SHRI IQBAL SINGH;
DR. SHRIKANT RAMA.
CHANDRA JICHKAR:

Will the Minister of FINANCE be pleased to state:

(a) the names of the institutions in VidaiOha region of Maharashtra to whom the concession under Section 80 G of Income Tax Act is available as on the 1st March, 1993;

(b) the total amount of deduction claimed on this account by donation to such institutions during the last three years; and

(c) the number of applications pending as on the 1st March, 1993 for request of such concessions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) 347 institutions in Vidarbha region of Maharashtra were approved under Section 80 G of the Income Tax act as on 1.3.1993. The list containing names of these institutions is enclosed. (See Appendix CLXVI, Annexure No. 47)

(b) The Income-tax Department does not compile the information regarding deduction claimed donors on

donations given by them to charitable institutions. The desired information can be collected Only from assessment records of donors spread all over the country. Moreover there may be some cases where deductions might not have been claimed by the donors, either because the donor has no taxable income or because he made a donation out of tax-free income. The labour put in to collect these informations may not be commensurate with the results achieved.

(c) 95 application are pending as on 1.3.1993.

Guidelines to foreign investors

2580. SHRI SATISH PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have formulated guidelines for foreign institutional investors to enter the Indian capital market particularly the secondary market;

(b) if so, at what stage of consideration the proposal stands; and

(c) By when the guidelines are likely to be announced and details thereof if announced/finalised?

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) In accordance with the guidelines announced by the Government on 14.9.1992, Foreign Institutional Investors have been allowed to invest both in primary and secondary markets subject to certain ceilings and, subject to their registering themselves with securities and Exchange Board of India (SEBI) and obtaining permission under Foreign Exchange Regulation Act (FERA) from the Reserve Bank of India.

International Development agency AID

2581. SHRI SHIV PRATAP MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to take more International Development Agency aid to sustain the reform process over the next three to five years and to attract foreign direct investment; and

(b) if no, what are the details thereof and if not what are 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) Assistance from the international development agency is obtained to strength our development efforts & also supplement domestic resources available for financing development activities. These are in the form of commitments to finance specific investment projects & adjustment operations India expects to receive such assistance at the same levels as it present from the international development agencies over the next three years. Projects and programmes which would finally be taken up in this period for assistance with aid from the international development agency would be firmed up in discussions with these agencies over this period.

2528. [Transferred to 24th March, '93]

Criteria adopted by IDBI for sanctioning assistance to export oriented units

2583. SHRIMATI KAMLA SINHA: Will the Minister of FINANCE be pleased to state:

(a) whether the criteria set by Government regarding imports and exports had been observed by Indus-