

(d) if so, whether Government will give free hand to RBI for dealing such cases in accordance with ECB guidelines; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) No, Sir.

(b) Does not arise.

(c) No favour is shown by the Government to any particular industrial house. As per extant guidelines on External Commercial Borrowing (ECB), corporate which have violated the extant ECB policy and are under investigation by Reserve Bank and/or by Directorate of Enforcement will not be allowed to access the Automatic route for ECB. Any request by such corporate for ECB will be examined under the Approval route.

(d) and (e) RBI has complete freedom to deal with cases in accordance with ECB guidelines.

Re-negotiation with Swiss Government on banking secrecy

1254. SHRI A. ELAVARASAN: Will the Minister of FINANCE be pleased to state:

(a) whether Swiss Government backs its banking secrecy and has rejected India's idea of automatic exchange of information especially on tax matters;

(b) if so, the details thereof; and

(c) whether Government also proposes to begin talk to re-negotiate with Swiss Government on existing Double Taxation Avoidance Agreement which would allow the handover of details of suspected evaders in requested cases?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) In terms of existing Double Taxation Avoidance Agreement (DTAA) between India and Swiss Confederation, it has not been possible to obtain information regarding bank deposits in Switzerland. Hence Switzerland was approached in April, 2009 for re-negotiation of the Article concerning Exchange of Information in our existing DTAA so that we can have access to banking information. Switzerland agreed for re-negotiation of this Article as well as other Articles of the existing DTAA. The first round of negotiation was held on 10th — 12th November, 2009. The matter is being actively pursued for early entry into force of the amended DTAA. After entry into force of the amended DTAA, India will be able to obtain banking information in specific cases from Switzerland.

Education loan

1255. SHRI KUMAR DEEPAK DAS: Will the Minister of FINANCE be pleased to state:

(a) whether Government would consider to give education loan upto Rs. 4 lakhs at a rate