

- (f) Does not arise in view of reply to (a) above.

Investigation of IPL irregularities

2989. SHRIMATI BRINDA KARAT: Will the Minister of FINANCE be pleased to state:

(a) whether investigations to ascertain the source of investment, taxability of the income earned, taxability of the award of media rights and other violation of Direct Taxes laws etc. by Income Tax Department of Indian Premier League (IPL) controversy has been completed;

(b) if so, the details thereof; and

(c) if not, the reasons for the delay and present status of investigations?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The Income Tax Department is conducting investigations in the case of BCCI-IPL and the franchisees to ascertain the source of investments by the teams, taxability of the income earned, taxability of the award of media rights and to detect violation of Direct Tax laws. Searches and Surveys have been conducted by the Income Tax Department at various places. Information has been gathered from BCCI, respective teams, public domain and the other entities involved with IPL. Some of the investment have been routed from outside India through entities located in countries such as Mauritius, Bahamas, Virgin Island etc. References have been made to the tax authorities of these countries to collect details as regards the source of investments. Assessments of some of the entities related to IPL have been centralized for coordinated investigations. The investigations are time consuming because the investments have been 'layered' through a number of intermediaries including foreign entities.

Bungling in loan disbursal by PSU Banks

2990. DR. JANARDHAN WAGHMARE: Will the Minister of FINANCE be pleased to state:

(a) whether Government has received complaints of bunglings in disbursing of loans by Public Sector Banks in the country;

(b) if so, the details thereof;

(c) whether Government has conducted any enquiry in this regard; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (d) Some complaints are received from time to time, regarding alleged bungling in sanction of loans by Public Sector Banks (PSBs).

Such complaints are examined in consultation with Chief Vigilance Officers and/or CMDs of concerned PSBs and wherever necessary, appropriate action is taken in consultation with Central Vigilance Commission.

Application of capital gains taxation on foreign investors

2991. SHRI MOHAMMED ADEEB: Will the Minister of FINANCE be pleased to state:

(a) whether the Ministry has received any letter from representatives of foreign Governments expressing concerns about capital gains taxation being applied retrospectively and on an unprecedented basis to foreign investors in India; and

(b) if so, what are the broad outlines thereof and the action taken by Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir.

(b) Does not arise.

Investigation into cases of micro finance

2992. SHRI K.N. BALAGOPAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government has noticed about any cheating cases in the name of Micro-Finance in the country;

(b) whether suicides are reported from the States by money borrowers who borrowed money from micro finance institutions;

(c) whether any specific inquiry is conducted on the above issue of mismanagement of micro finance institutions; and

(d) if so, how many criminal cases were registered?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (d) The Reserve Bank of India (RBI) has been receiving communications from State Government officials of Andhra Pradesh (AP) and Karnataka regarding overcharging of interest by Microfinance Institutions. The Andhra Pradesh Government highlighted the irregularities committed by microfinance institutions operating in the State, which were in severe conflict with their Self Help Group (SHG) — bank linkage programs. The State Government reported that the MFIs were charging usurious rates of interest, using coercive methods for recovery of loans, which matched traditional money lending in the rural areas.

The Government of Andhra Pradesh has promulgated the Andhra Pradesh Microfinance Institution (Regulation of Moneylenders) Ordinance, 2010 on 15th