

Exchange Agreement (TIEAs) with non-treaty countries so that information can be exchanged with these countries even in absence of DTAA.

- (iii) In order to facilitate exchange of information, two income-tax Overseas units within the Indian Mission have been created in Singapore and Mauritius and officers have been posted therein. In addition to this, it has been decided to create 8 more such units in USA, UK, Netherlands, Japan, Cyprus, Germany, France and UAE.
- (iv) The Investigation Directorates of the Income-tax Department also gather necessary intelligence regarding individuals and entities who have opened undisclosed foreign bank accounts. Further information is collected from the respective countries/territories under DTAA/TIEAs and accordingly the Investigation Directorates take action on the following lines :-
  - \* Gather Intelligence about the agents/official of foreign banks operating in India who are soliciting opening of foreign bank accounts.
  - \* Collect information about Indian nationals suspected to have bank accounts in tax havens and also the agents or money changers involved in such work.
  - \* Obtain information through Central Information Branches (CIB) regarding frequent foreign visits of Indian nationals to tax havens.
  - \* Keep close watch to collect evidence during Search/Survey operations pertaining to opening of foreign bank accounts or immovable assets outside India.
- (v) As and when the Directorate of Enforcement notices the contravention of the relevant provisions of Foreign Exchange Management (FEMA), in respect of non-repatriation of amounts to India, appropriate action under FEMA, 1999 is taken.

#### **Scrutiny of financial system by IMF and World Bank**

1443. SHRI T.M. SELVAGANAPATHI : Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that India has agreed to an international Monetary Fund (IMF) and World Bank's scrutiny of its financial system to assess the country's capacity to manage a financial crisis;
- (b) if so, the details thereof; and

(c) whether it is a fact that such move will help the global economy as a whole?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) Yes Sir.

(b) The Financial Sector Assessment Program (FSAP) is expected to take place in 2011 and would broadly cover the banking, securities market and insurance sectors.

(c) FSAP analyses the structure and soundness of financial system and its interlinkages with the rest of the economy and as such helps in the overall stability of the global economy.

#### **Disinvestment of OIL PSUs**

1444. SHRI TARIQ ANWAR : Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Government is planning to disinvest in PSUs like ONGC and Indian Oil; and

(b) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) Yes, Sir, the proposals are under consideration.

(b) For funding its capital expenditure requirements, Indian Oil Corporation has proposed to raise funds from the capital market by issue of fresh equity of 10 per cent in domestic market by way of follow-on public offering. In conjunction, it has been proposed that Government may also disinvest 10 per cent pre-issue paid-up capital of the company.

In Oil & Natural Gas Corporation Limited, it has been proposed that Government may disinvest 5 per cent paid-up capital of the Company in domestic market by way of a follow-on public offering.

The disinvestment proposals are in accordance with government policy.

#### **Levy of cash Handling charges by Banks**

1445. PROF. ALKA BALRAM KSHATRIYA : Will the Minister of FINANCE be pleased to state:

(a) whether Government/RBI has or had authorized the commercial banks to charge cash handling charges from the account holders on each deposit of cash in their respective accounts;