

(c) The other members of Eurasian Group are Russia, China, Turkmenistan, Kyrgyzstan, Tajikistan, Uzbekistan, Belarus and Kazakhstan.

(d) Through this membership, India would learn from the experience of the member nations and also contribute to the collective effort in achieving anti-money laundering (AML)/combating the financing of terrorism (CFT) goals. In the process, India would be able to work towards achieving a more transparent stable financial system by ensuring that financial institutions are not vulnerable to infiltration or abuse by organized crime groups.

Interest subvention claims of banks

672. SHRIMATI T. RATNA BAI: Will the Minister of FINANCE be pleased to state:

(a) whether Government has provided 1400 crore for meeting pending interest subvention claims of banks; and

(b) if so, the details thereof, bank-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):
(a) and (b) The Government of India has since 2006-07 been subsidizing short term crop loans to farmers in order to ensure the availability of crop loans to farmers for loans up to Rs. 3.00 lakh, at 7% p.a. This Interest Subvention Scheme has been further continued for 2010-11 for Public Sector Banks (PSBs), Regional Rural Banks (RRBs) and Cooperative Banks. This year an additional subvention of 2% to farmers, who repay on time has been provided. Thus, the effective rate of interest for such farmers is five per cent per annum for 2010-11. The Government releases interest subvention to Reserve Bank of India (RBI) and National Bank for Agriculture and Rural Development (NABARD) which are implementing agencies for the Scheme. An amount of Rs. 2414.68 crore has been released so far to RBI/NABARD for onward transmission to the PSBs, RRBs and Cooperative Banks for implementation of the Scheme.

Evasion of customs and excise duties in import of raw materials

673. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Sterlite Industries Limited a Vedanta Group Company have evaded customs duty to the tune of several crores in import of copper waste;

(b) if so, the details thereof;

(c) whether some officers of Vedanta have been arrested for allegedly evading Rs. 750 crore in excise duty on import of raw materials for production of copper products; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM):
(a) to (d) Information is being collected and will be laid on the Table of the House.

Capital gains taxes on foreign investor

674. SHRI MOHAMMED ADEEB: Will the Minister of FINANCE be pleased to refer to the answer to Unstarred Question 2991 given in the Rajya Sabha on 7 December, 2010 and state:

(a) whether Government has received representations from the United States Embassy, New Delhi, U.K. High Commission, New Delhi and European Union Secretariat expressing concerns about capital gains taxation being applied retrospectively and on an unprecedented basis to foreign investors in India;

(b) if so, the details thereof; and

(c) how far Government has agreed to the views expressed in the representations?

"THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM):
(a) and (b) As regards capital gains taxation of foreign investors, there has been no retrospective amendment in the legislation.

However, the Government had received a joint representation from the United States Embassy, New Delhi. U.K. High Commission, New Delhi and European Union Secretariat expressing concern that Indian Revenue authorities have asserted the unprecedented view that India is entitled to capital gains on transactions taking place wholly outside India and that they have imposed retroactive taxing jurisdiction in transactions involving the transfer of shares in a company not resident in India, in which both the buyer and seller are also non residents of India.