

The concept of wholesale price has hitherto covered the general idea of capturing all transactions carried out in the domestic market. The weights of the WPI do not correspond to contribution of the goods concerned either to value-added or final use. In order to give this idea a more precise definition, it was decided to define the universe of the wholesale price index as comprising as far as possible all transactions at first point of bulk sale in the domestic market. It is fact that initial data of inflation for February, March and April 2011 have varied due to finalisation of provisional WPI which is usual process for a time lag of two months. Details of variation between provisional and final WPI and inflation for 2011 is indicated in the Table below:

Months	WPI Provisional and Final (2004-05=100)		Year-on-year Inflation (%)		
	2010 (Final)	2011 (Prov.)	2011 (Final)	2011 (Prov.)	2011 (Final)
Jan	135.2	145.9	148.0	7.91	9.47
Feb	135.2	146.0	148.1	7.99	9.54
Mar	136.3	148.6	149.5	9.02	9.68
Apr	138.6	150.6	152.1	8.66	9.74
May	139.1	151.7	152.4	9.06	9.56
Jun	139.8	153.0	NA	9.44	NA
July	141.0	154.0	NA	9.22	NA

Flow of black money in real estate sector

2199. SHRI GOVINDRAO ADIK :

SHRI SANJAY RAUT :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that there have been large flow of black money in real estate due to archaic laws and regulations;

(b) if so, what is Government's response thereto; and

(c) the details of steps taken or proposed to be taken to check flow of black money into the real estate sector?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) :

(a) to (c) The Income Tax Department conducts Search, Seizure and Survey operations as per the provisions of Income Tax Act, 1961. These operations are based on credible information on persons which includes individuals, Hindu undivided families (HUFs), firms, companies, association of

persons (AoPs), body of individuals (Bols), local authorities and any artificial juridical person who are in possession of any money, bullion, jewellery or any other valuable article or thing which represents wholly or partly income or property which has not been or would not be disclosed for the purpose of Direct Tax Laws. Search, seizure and survey operations by the Income tax Department are a continuous and ongoing process. The Income tax Department does not maintain sector wise details of such operations because such operations are conducted on groups of persons spread over multiple sectors and diversified businesses. There has been an increased usage of advanced techniques in investigation which includes, inter-alia, Income Tax Data Management System (ITDMS), Cyber-forensics, data mining using AIR (Annual Information Return), Central Information Branch (CIB), Assessee Information System (AIS).

Investment by QFIs in Indian Stock Market

2200. SHRI N.K. SINGH:

SHRIMATI SHOBHANA BHARTIA:

Will the Minister of FINANCE be pleased to state:

- (a) whether Government is exploring the idea of allowing Qualified Foreign Investors (QFIs) registered with depositories in India or abroad to invest in the Indian Stock Market;
- (b) if so, the details thereof;
- (c) whether foreign participation will adversely affect the Indian companies; and
- (d) if so, the details thereof?

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

(a) and (b) No Sir. At present there is no proposal under consideration to allow Qualified Foreign Investors (QFIs) to invest directly in Indian stock markets. However, as announced in the 2011-12 budget, QFIs have been permitted to access Indian Mutual Funds equity and debt schemes investing in the infrastructure sector. The relevant circulars are available at:

<http://www.sebi.gov.in/circulars/2011/cirimddf14-2011.pdf>

<http://www.rbi.org.in/scripts/NotificationUsers.aspx?ID=6664&Mode=0>

(c) and (d) No Sir. Under the QFI scheme, QFIs do not invest directly in Indian companies. However QFI participation in Indian Mutual Funds would widen the class of investors, help increase depth and reduce volatility in the capital market. Widening of the investor base leads to efficiency in price determination and capital formation.

Increase in allocation of home loan

2201. MS. SUSHILA TIRIYA: Will the Minister of FINANCE be pleased to state: