

Adoption of basel III norms

4998. SHRI AVINAS PANDE: Will the Minister of FINANCE be pleased to state:

- (a) whether any action plan has been formulated to adopt the Basel III norms for financial regulation;
- (b) if so, the details thereof;
- (c) whether implementation of such an action plan has been initiated in a time bound manner; and
- (d) if so, the details of the status of implementation with deadlines?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Reserve Bank of India (RBI) has informed that they have formulated an action plan to adopt the Basel III norms and have issued final guidelines on Basel III Capital Regulations to all scheduled commercial banks on May 2, 2012 which is available at RBI website www.rbi.org.in RBI further informed that draft guidelines on Basel III - Liquidity Regulations have been issued on 21.02.2012 for public comments.

(b) to (d) Basel III - Capital Regulations will be implemented from 01.01.2013 in a phased manner. In order to allow banks to prepare and plan themselves and also to minimize any unintended consequences arising out of higher capital requirements, banks have been given a long phase-in period during which the Basel III guidelines would be implemented. Capital ratios and deductions from Common Equity will be full phased-in and implemented as on March 31, 2018. Thus the Basel III norms will be made fully applicable with effect from March 31, 2018.

Refinancing of exports bills by banks

4999. DR. JANARDHAN WAGHMARE: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the public Sector Banks particularly Bank of India is insisting on higher collateral securities for refinancing foreign purchase bills of Small and Medium Scale Exporters;
- (b) if so, whether it is also a fact that Government has instructed the Public Sector Banks to be liberal in refinancing exports bills backed by Export Credit Guarantee Corporation Policy of Government;
- (c) the details of mechanism adopted by Government for violation of its guidelines by Public Sector Banks; and

- (d) the reaction of Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Public Sector Banks have informed that they are not insisting on higher collateral securities for refinancing of foreign purchase bills of Small and Medium Scale Exporters.

- (b) No, Sir.

- (c) and (d) In view of (a) above, does not arise.

Amendment of DTAA

5000. SHRI P. RAJEEVE: Will the Minister of FINANCE be pleased to state:

- (a) whether India and Switzerland have signed an agreement for amending the existing Double Taxation Avoidance Agreement (DTAA) between the two countries;

- (b) whether this agreement has come into force;

- (c) if so, the details thereof; and

- (d) the action taken by Government on the recovery of "black money" so far after having received the names of Indians who have deposited unaccounted money in Swiss Banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) (a) Yes sir,

- (b) and (c) The Amending Protocol between India and Switzerland amending the existing Double Taxation Avoidance Agreement (DTAA) between the two countries came into force on 7th October, 2011.

- (d) In 219 cases, undisclosed income of Rs.565 Crore has been detected and tax of Rs.181 Crore realized so far.

Streamling of derivative trade

5001. SHRI PRABHAT JHA: Will the Minister of FINANCE be pleased to state:

- (a) whether the Securities and Exchange Board of India (SEBI) is contemplating to issue new guidelines to improve performance of derivative contracts;

- (b) if so, the details thereof;