

(MAT) when it was found that various industries particularly Information Technology Industries moved from non-Special Economic Zone (SEZ) to SEZ to take advantage of the tax holiday given to SEZ;

(b) whether Government has received representations from companies who brought in Foreign Direct Investment (FDI) by investing in SEZ to take benefit of the tax holidays, against the imposition of MAT; and

(c) if so, what action Government has taken to protect them ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. Minimum Alternate Tax (MAT) has been brought in for developers of Special Economic Zones (SEZs) and for units operating in SEZs with effect from 1st April, 2012 vide the Finance Act, 2011, since there was no sunset date provided for this exemption in the Income Tax Act.

(b) Yes, Sir. representations have been received in this regard.

(c) MAT is in the nature of an advance payment of tax liability. MAT paid by a company can be carried forward for set-off against regular tax payable during the subsequent ten assessment years. In other words, MAT is an advance collection of tax from a company which has the ability to pay tax and in whose case the tax payable under the normal computation of the provisions under the Income Tax Act, 1961 is less than the computation provided under MAT. The facility of carry forward and set off of MAT credit is intended to provide relief to companies who have paid MAT. MAT credit represents an amount that can be used as a credit against future income-tax liability in the case of a company.

RBI agreement with UK on black money

2065. DR. CHANDAN MITRA: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has entered into an agreement with Financial Service Authority (FSA) of UK recently;

(b) if so, the details of the agreement;

(c) the precise subjects on which the information will be shared between the two under the agreement; and

(d) the extent to which it will facilitate bringing black money back into the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) On 17.07.2012, the Reserve Bank of India (RBI) has

entered into a Memorandum of Understanding (MoU) with the Financial Service Authority (FSA) of UK. The MoU is on “Supervisory Operation and Exchange of Supervisory Information” to promote supervisory co-operation between these institutions, and to provide for formal basis for co-operation in the area of banking supervision, including for exchange of supervisory information. Such co-operation will enable these supervisory entities to perform their functions more effectively.

The MoU contains provisions for sharing of supervisory information, co-operation in respect of on-site examinations, crisis management and maintenance of confidentiality of supervisory information shared between RBI and FSA.

(d) RBI shares any information received with regard to with regard to matters under the Financial Action Task Force with the Financial Intelligence Unit-India (FIU-IND) for taking further necessary action under the Prevention of Money Laundering Act, 2002.

SBI branch in Chirhgaon, Shimla

†2066. SHRIMATI BIMLA KASHYAP SOOD: Will the Minister of FINANCE be pleased to state:

(a) whether there is neither any branch of SBI nor any ATM at Chirhgaon Tehsil in Shimla district in Himachal Pradesh;

(b) if so, whether Government proposes to set up a branch of SBI at any proper place for the benefit of thousands of people living in Tehsil Chirhgaon; and

(c) if so, by when and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) UCO Bank, the convener of State Level Bankers' Committee (SLBC) for the State of Himachal Pradesh, has informed that presently there is no Branch/ATM of State Bank of India (SBI) functioning in Chirhgaon Block of District Shimla, Himachal Pradesh. However, Rohru Branch of SBI, having two ATMs, is catering to the needs of Chirhgaon Block.

Target from disinvestment on PSUs

2067. SHRI SHYAMAL CHAKRABORTY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government has set target to garner Rs. 30,000 crore from disinvestment in Public Sector Units (PSUs) in current fiscal year;

† Original notice of the question was received in Hindi.