

**Use of surplus capital**

†3024. SHRI RAMCHANDRA PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that it is estimated about 400 big business companies have surplus capital of Rs. 4.2 lacs crores;
- (b) if so, Government's response thereon;
- (c) whether profits can be earned by investing this capital by increasing its efficiency; and
- (d) if so, the facts thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (d) As part of their regular business practices, business corporations accrue capital reserves and takes appropriate decisions with regard to their utilization from time to time, as per their investment objectives. Government policy endeavours to create an investor friendly environment to encourage investment in India by such companies and other investors. Government has constantly endeavoured to make the policy environment investor friendly by responding suitably to emerging economic opportunities and challenges.

**Inflation rate in retail industrial labourers sector**

†3025. SHRI RAM JETHMALANI: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that rate of inflation in retail industrial labourers sector had reached upto 9.6 per cent in October, 2012;
- (b) if so, the facts in this regard;
- (c) whether the Reserve Bank of India has set a target to bring down this rate from four to five per cent;
- (d) if so, the facts thereof; and
- (e) by when this target is likely to be achieved?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Yes, Sir. The inflation based On Consumer Price Index for Industrial Workers (CPI-IW) stood at 9.6 per cent in October, 2012.

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†Original notice of the question was received in Hindi.

(b) The year-on-year CPI-IW inflation trend in major commodity groups from April to October, 2012 is given below.

Month	Overall	Food	Pan, Supari, Tobacco & Intoxicants	Fuel & light	Housing	Clothing, bedding & footwear	Misce- llaneous group
Weights	100.00	46.20	2.27	6.43	15.27	6.57	23.26
Apr-12	10.22	10.66	14.13	20.47	8.96	11.64	7.41
May-12	10.16	10.61	15.14	18.39	8.96	10.74	7.36
Jun-12	10.05	10.45	15.43	18.08	8.96	10.00	7.27
Jul-12	9.84	11.27	15.26	12.37	6.73	9.87	7.23
Aug-12	10.31	12.20	15.10	11.70	6.73	9.15	7.78
Sep-12	9.14	11.00	15.03	12.11	6.73	9.03	7.69
Oct-12	9.60	9.91	14.87	12.50	6.73	8.28	7.65

(c) to (e) No target has been fixed by Reserve Bank of India (RBI) for inflation. Government and RBI however monitor the price situation regularly and price stability remains high on their agenda. Fiscal, monetary and administrative measures as appropriate are taken by RBI and Government to contain inflation.

#### **Irregularities in Mutual Funds**

3026. DR. T.N. SEEMA: Will the Minister of FINANCE be pleased to state:

(a) the details of action taken in the irregularities in Mutual Funds (MFs) during each of the last two years and the current year;

(b) the number of cases registered and the number of persons found involved in these irregularities; and

(c) the regulatory steps taken by Government to check such irregularities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) In 2010-11, 2011-12 and in 2012-13 (upto November, 2012), the Securities and Exchange Board of India (SEBI) has issued 30, 14 and 4 warning letters respectively to Mutual Funds who were found in violation of the