

(a) whether Government has received information regarding money laundering, against individuals having bank accounts in the HSBC Bank, branch of Geneva and investors who are working under Organisation for Economic Cooperation and Development (OECD);

(b) if so, the details thereof; and

(c) the action Government has taken against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Government has received information under the Double Taxation Avoidance Convention (DTAC) from the Government of France about some bank accounts held by certain individuals and non-individuals in HSBC Bank, Geneva.

(b) Under confidentiality clause of the DTAC, the information received can be used only for the purposes specified therein.

(c) Based on the information received from the Government of France, appropriate action under the Direct Tax laws has been taken to bring to tax any undisclosed amounts in such cases.

Banks opened in rural areas of Assam

683. SHRIMATI NAZNIN FARUQUE: Will the Minister of FINANCE be pleased to state:

(a) the number of branches of banks opened in the rural areas of Assam in last three years; and

(b) whether banks have been instructed to make an analysis or requirements of establishing new branches in rural areas of Assam and take prompt actions thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) As reported by the State Bank of India (SBI), the Convenor Bank of the State Level Bankers' Committee (SLBC), Assam, 20 branches were opened by banks in rural areas during 2009-10, 13 in 2010-11 and 28 in 2011-12. As per Reserve Bank of India (RBI), there are 1,592 branches of Scheduled Commercial Banks (SCBs) functioning in the State of Assam as on 30th June, 2012, out of which 818 branches were in rural areas.

In terms of extant Branch Authorization Policy of RBI, domestic SCBs other than Regional Rural Banks (RRBs) are permitted to open branches in Tier 2 to Tier 6 centres, mobile branches in Tier 3 to Tier 6 centres and in rural, semi-urban and urban centres in North Eastern States and Sikkim without permission from RBI, in each case, subject to reporting.

Foreign banks threatening to general insurers

684. SHRI A. ELAVARASAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that several foreign banks have threatened State-run general insurers to close their accounts as they aim to provide cover to Indian ships ferrying oil from Iran;

(b) if so, the details thereof;

(c) whether these banks have not stopped dealing with Japanese, Chinese or South Korean firms;

(d) whether the State-run insurers have requested Government's intervention as deactivation of their accounts would affect their foreign operations; and

(e) if so, the details thereof;

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) Insurance Regulatory and Development Authority (IRDA) has informed that pursuant to UN sanctions and European Union additional restrictive measures imposing restriction on trade/financial service dealings with Iran including insurance and reinsurance, European Union regulated P&I insurers and international group of P&I clubs stopped insurance cover to shipowners involved in the carriage of cargoes/oil consignments from Iran-India-Iran and *vice versa* w.e.f 01.07.2012. The Public Sector General Insurance Companies (PSGICs) have not received any such threat except the New India Assurance Co. Ltd. (NIACL) to whom one foreign bank had threatened to close their account on this issue. However, this bank has now agreed to continue the account.

(c) The information regarding foreign banks who have not stopped dealing with Japanese, Chinese or South Korean firms is not available.