

Proposal to enhance deposit insurance ceiling limits

835. SHRI BHARATSINH PRABHATSINH PARMAR:

SHRI PARSHOTTAM KHODABHAI RUPALA:

SHRI MANSUKH L. MANDAVIYA:

Will the Minister of FINANCE be pleased to state:

(a) the action taken by Reserve Bank of India (RBI) for necessary amendment in Deposit Insurance and Credit Guarantee Corporation (DICGC) Act to provide insurance benefits to depositors of cooperative credit societies as on date;

(b) how much and by when deposit insurance ceiling limit will be enhanced from the existing deposit insurance ceiling limit of Rs. 1.00 lakh;

(c) whether State Governments have approached RBI to enhance deposit insurance ceiling limits; and

(d) if so, what further action has been taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Presently there is no proposal to provide insurance benefits to the depositors of the Co-Operative Credit Societies under the Deposit Insurance and Credit Guarantee Corporation (DICGC) Act, 1961.

(b) to (d) The Government and the DICGC in the Reserve Bank of India (RBI) have received certain requests regarding increase in the deposit insurance coverage limit from Members of Parliament of certain States. The Government has since approved the proposal of the Deposit Insurance and Credit Guarantee Corporation (DICGC) for increase in the deposit insurance coverage limit from Rs. 1 lakh to Rs. 2 lakh and introduction of risk-based premium for deposit insurance. However, DICGC has been advised to move to fully risk-based premium over a period of 3 years to moderate hike in the premium.

**Investigation into undervalue share sales by companies
to their parent organisation**

836. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that companies like Vodafone, Shell, Nokia, IBM and Hewlett-Packard are having conflict with Income-Tax Department on the issue of undervaluing share sales to parent companies;