

[22 April, 2003]

RAJYA SABHA

constable of CISF on 17.12.2002 while checking the entry ticket. CISF constable alleged that monument attendant had pocketed two tickets for resale and when he denied the charge, he was roughed up by the constable.

Immediately a three member enquiry committee comprising senior officers of Department of Culture and Archaeological Survey of India was constituted. Based on the findings of the committee Archaeological Survey of India staff involved in the incident were suspended. The supervisory official posted at Taj Mahal has been transferred. CISF has also suspended the constable who manhandled the Archaeological Survey of India staff. As per the directions of the Secretary, Home Affairs, CISF duties have been confined to the security of the monument. For stream lining the ticketing system more windows have been opened with additional staff.

Difficulties in implementation of VAT

†*453. SHRI UDAI PRATAP SINGH:

SHRI AIMADUDDIN AHMED KHAN 'DURRU' :

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the ongoing controversies regarding the difficulties faced by the trade and commerce in proper implementation of the VAT have come to the notice of Government;

(b) if so, the details thereof;

(c) whether Government have held discussions with the State Governments and the representatives of the various trade unions so as to ascertain the real problems in the implementation of VAT in different States and to arrive at a procedure to overcome its shortcomings;

(d) whether Government are considering to amend the VAT keeping in view the protest by the traders against its implementation; and

(e) if so, the details thereof?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) to (e) The Value Added Tax, is a State tax, to replace the existing sales tax system in the States and UTs. This is

†Original notice of the question was received in Hindi.

as a result of an unanimous decision taken by a Conference of Chief Ministers held on 16th November 1999. This Resolution has been reiterated, in subsequent conferences of Chief Ministers, on 22nd June 2000, 5th July 2001 and 18th October 2002.

As per Entry 54 of List II (State List) of the Seventh Schedule to the Constitution, tax on sale or purchase of goods is a State subject. On the recommendations of the Chief Ministers' Conference held on 22nd June 2000, an Empowered Committee of State Finance Ministers was constituted to deliberate on matters relating to implementation of VAT by the States/UTs. Any decision regarding representations of trade and industry and the procedures to overcome shortcomings of State VAT, if any or rescheduling of VAT has to be taken by this Empowered Committee, which meets from time to time.

The Government of India is committed to respect the concept of fiscal federalism enshrined in our Constitution. Accordingly, the Union Government is acting only as a facilitator in this tax reforms process undertaken by the States unanimously.

Loss in forward deals by SBI Capital Market Ltd., Chennai

*454. SHRI ABU ASIM AZMI:
SHRI AMAR SINGH:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that SBI Capital Market Ltd., Chennai, incurred a loss of Rs. 16.25 crores in respect of four ready forward deals entered into with a private firm;

(b) if so, the details thereof including the names of private firm; and

(c) whether senior officer of SBI CAP was found involved in this matter and if so, the details thereof and action taken thereon?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS
(SHRI JASWANT SINGH): (a) Yes, Sir.

(b) A company by the name of M/s. Growmore Assets and Management Co. Ltd., belonging to late Shri Harshad S. Mehta offered to sell units of Unit Trust of India's 1964 Scheme to the SBI Capital Market Limited and agreed to repurchase them at a pre-determined price. Their details are: