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Title: Regarding alleged unnecessary raids by the Income Tax Department on Cooperative Banks.

SHRI P.K. BIJU (ALATHUR): Madam, I would like to raise a very important matter before the House.

The role of cooperative societies, both during post-Independence and pre-independence periods, received high appreciation from the people of our country. We have particularly increased our agricultural activities with the help of a number of cooperative units in our country. The societies registered in Maharashtra have immensely contributed in raising sugarcane production. Now, there are cooperative societies in many areas like in textiles, beedi, khadi and so on. Cooperative societies like Amul and Indian Coffee House have shown to the nation how to make the cooperative societies work in our country.

However, today the cooperative societies are in a big crisis because of the notice given by the Income Tax authorities under Section 133 (6) of the Income Tax Act. The notice asks the cooperative societies and the cooperative banks to furnish details of all the cash deposits in various savings bank accounts that aggregate to more than Rs. 5 lakh in each account and also the details of payment of interest to the depositors exceeding Rs. 10,000 per year, including interest on fixed deposits.

Madam, those who have Rs. 1,00,000 in their account can get an interest of Rs. 10,000 per year, but this is not applicable to the new generation banks and also the scheduled banks. This will affect the rural credit banks and hamper agricultural development in our country.

Therefore, I would urge upon the Government to withdraw such a move and allow the societies to work freely.

HON. SPEAKER: Hon. Members,

Shri N.K. Premachandran,

Shri Anto Antony,

Shri Jose K. Mani,

Shri P. Karunakaran,

Dr. A. Sampath,

Shri Sankar Prasad Datta, and

Adv. Joice George are allowed to associate themselves with the issue raised by the hon. Member.