

(EMP). For Preparation of the EMP, Environmental Impact Assessment is done. Studies like subsidence control, O.B. dump stability besides flora and fauna etc. have been and are carried out. Programme for formulation of EMPs during 1998-99 are as follows:-

CCL	Karo Expansion OC
WCL	1. Kamptee UG to OC
	2. Ghatrohan OC
	3. Waghoda UG
	4. Makardhokra-I OC
	5. Gajandoh UG
	6. Jamunia UG
	7. Thesgora - B UG
	8. Dhankasa UG
	9. Mandla South UG
	10. Bhatadi Deep OC
SECL	1. Shivani UG
	2. Gayatri UG
	3. Rehar UG
MCL	1. Lingraj OC Expansion
	2. Garjanbahal OC
	3. Gopalprosad (West)/Hingula West OC
	4. Lajkura Expansion OC
	5. Padma OC

Development of Sambhar Salt Area

2538. SHRI GIRDHARI LAL BHARGAVA : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Sambhar Salt Area in Rajasthan was leased out to M/s. Hindustan Salts Limited for the integrated development of the Sambhar Salt Area;

(b) if so, the details thereof alongwith work done so far in this regard;

(c) whether the Government of Rajasthan has repeatedly requested the Union Government for the return of Sambhar Salt Area; and

(d) if so, the reasons for not agreeing to do so?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) Yes, Sir.

(b) A sum of Rs. 3.65 crores has been invested in the shape of loans and interest due for various development works including construction of Gudha/Jhapog dam, borewells, installation of equipment, conversion of MG railway line into BG line and setting up of salt washery.

(c) and (d) Government of Rajasthan had requested Government of India to transfer Sambhar Salt Limited to

the Government of Rajasthan. The request was not agreed to as it was felt that transfer would not be in the overall interest of the company.

Indian Bank

2539. SHRI T. GOVINDAN : Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government have received any request from the Indian Bank Employees' Federation for infusion of funds to Indian Bank; and

(b) if so, the action taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSION AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) Yes, Sir.

(b) On the basis of an assessment made in consultation with the RBI and based on the recommendation of consultants, Government has subscribed to the share capital of Indian Bank a sum of Rs. 17.50 Crores for strengthening capital base of the bank. This amount has been simultaneously invested by the bank in Government Securities.

WTO PACT

2540. SHRI SUSHIL KUMAR SHINDE : Will the Minister of COMMERCE be pleased to state;

(a) whether the Government have endorsed the recent World Trade Organisation (WTO) pact for opening financial services;

(b) if so, the terms of the pact;

(c) whether the Government have received any representations from various trade organisations;

(d) if so, the details thereof; and

(e) the reaction of the Government thereto?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Yes, Sir.

(b) The following commitments in financial services have been made. All the commitments are subject to entry requirement domestic laws, rules and regulations and the terms and conditions of the RBI, SEBI and any other competent authority in India.

MFN exemptions from all the sectors, viz., Insurance, Banking and Non-Banking Financial Services have been withdrawn. This was a reciprocal measure as all our major trading partners have also withdrawn their respective MFN exemptions.

A. Insurance and Insurance related services:

- (i) Life Insurance : No commitments.
- (ii) Non-life Limited to insurance of freight.
- (iii) Reinsurance and retrocession Reinsurance can be taken with foreign reinsurers to the extent of the residual uncovered risk after obligatory or statutory placements domestically with Indian insurance companies.

B. Banking and other financial services:

1. (i) Acceptance of deposits and other repayable funds from the public.
- (ii) Lending of all types, including consumer credit, mortgage credit and financing of commercial transactions but excluding factoring.
- (iii) All payments and money transmission services including credit, charge and debit cards, travellers cheques and bankers' drafts.
- (iv) Guarantees and commitments.
- (v) Trading for own account of;
 - (a) Money Market Instruments
 - (b) Foreign Exchange
 - (c) Transferable Securities
- (vi) Portfolio management, custodial and trust services.
- (vii) Clearing services for other banks for cheques, drafts and other instruments.

The above activities are allowed only in the third mode, i.e. commercial presence, subject to the following:-

- (i) Only through branch operation of a foreign bank licenced and supervised as a bank in its home country.
- (ii) Grant of licence as permissible under existing laws.
- (iii) A limit of twelve licences per year both for new entrants and existing banks.
- (iv) Banks are allowed to install ATMs at branches and other places identified by them. Installation of ATM at a place other than in licenced branches is treated as a new place of business and requires a licence. Licences issued for ATMs installed

by foreign banks will not be included in the ceiling of twelve licences referred to in item (c) above.

- (V) Investments in other financial services companies by branches of foreign banks licenced to do banking business in India individually not to exceed 10 per cent of owned funds or 30 per cent of the invested company's capital whichever is lower.

2. Participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issues.

The above activity is allowed to foreign bank branches licenced to do banking business in India and also to foreign financial services companies through incorporation with foreign equity not exceeding 51 per cent.

3. Stock Broking : This activity is allowed through establishment of locally incorporated joint venture company with foreign equity not exceeding 49 percent. The foreign equity participation will be limited to recognised foreign stock broking companies.

4. Financial consultancy services, i.e. financial advisory services provided by financial advisers etc. to customers on financial matters, investment and portfolio research and advice, advice on acquisition and on corporate restructuring and strategy.

The above activity is allowed to foreign bank branches licenced to do banking business in India and also to foreign financial services companies (including banks) through incorporation with foreign equity not exceeding 51 per cent.

5. Factoring : Allowed to foreign financial services companies including banks) through incorporation with foreign equity not exceeding 51 per cent.

6. Financial leasing : Allowed to foreign financial services companies (including banks) through incorporation with foreign equity not exceeding 51 per cent.

7. Venture capital : Allowed to foreign financial services companies (including banks) through incorporation with foreign equity not exceeding 51 per cent.

(c) As per the records, no representation appears to have been received from Trade Organizations.

- (d) and (e) Not applicable.