

Title: Need to implement the recommendations of Percy Mistry Committee on making Mumbai as an International Financial Centre.

*SHRIMATI SUPRIYA SULE (BARAMATI): With a view to make Mumbai as an International Financial Centre, the issue to setup a Committee under the Chairmanship of Governor, Reserve Bank of India, was considered while presenting the Union Budget 2005-06. Accordingly, the Ministry of Finance, Government of India has constituted a High Power Expert Committee under the Chairmanship of Shri Percy Mistry, Chairman, Oxford International Group. The Committee has submitted its report to the Ministry of Finance, Government of India on 10 February, 2007. The Central Government and the State Government has to implement the recommendations of the Committee. The State Government has initiated action on the recommendations pertaining to the State Government. The broad recommendations pertaining to the Central Government are as under:

1. To open Indian Rupee Bond Market to the foreign investors;
2. Creation of the spot currency market;
3. Financial market integration with a shift away from the existing segmented approach;
4. A shift from the present over-prescriptive rules based regulation toward principles based regulation;
5. To incur General Sales Tax (GST) on economic services only, other taxes to be cancelled;
6. To allow the International Law Firms to work in the country.

The Maharashtra Government has also sent a proposal to the Government of India to constitute a Task Force, representing officials of the Central Government and State Government, for time-bound implementation of the recommendations of the Percy Mistry Committee.

* Treated as laid on the Table.

I, therefore, urge upon the Government to kindly look into the proposal and implement the recommendations of Percy Mistry Committee.