

- (vi) Exemption of service tax for services received by exporters from goods and transport agents and commission agents where the liability to pay service tax is *ab initio* on the exporter. Thus there would be no need for the exporter to first pay the tax and later claim refund.

Extension of Mobile Banking Services

1052. DR. K. MALAISAMY: Will the Minister of FINANCE be pleased to state:

- (a) what is the policy of Government in the extension of Mobile Banking Services;
- (b) whether the move will be encouraged or discouraged; and
- (c) what is the feedback received in case of Mobile Banking Services?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

- (a) to (c) In view of the rapid growth of users of mobile phones and wider coverage of mobile phone network, guidelines for mobile banking transaction were issued by RBI to encourage implementing financial inclusion and mobile phone based payment transactions in India. Only Banks which are licensed and supervised in India and have a physical presence are permitted to offer mobile banking services. Because of its encouraging response, Banks have been exploring the feasibility of using mobile phones as an alternative channel of delivery of banking services. RBI has observed an increase in usage of mobile phones for banking transactions.

Service Tax

1053. SHRI DHARAM PAL SABHARWAL: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Service Tax at 10 per cent on various services is on the higher side; and
- (b) if so, what steps Government proposes to take to further reduce the Service Tax on various services?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM):

- (a) No, Sir. The service tax rate on all services has been reduced from 12% to 10% on 24.02.2009.
- (b) Does not arise in view of (a) above.

Money laundering

1054. SHRI RAMDAS AGARWAL:
SHRI DARA SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that not even a single individual has been apprehended/ interrogated by Government during last three years in relation to money laundering and parking of illicit-funds abroad;

(b) whether the Apex Court has taken note of this and reportedly suggested Government to look at cases lodged under Prevention of Money Laundering Act against persons suspected of parking black money abroad;

(c) if not, the reasons therefor;

(d) whether any foreign bank has agreed or offered themselves to share such data of black money with Government; and

(e) if so, the details thereof, bank-wise and country-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM):

(a) No, Sir.

(b) and (c) The Apex Court has not given any suggestions to Government.

(d) and (e) No, Sir. No foreign bank has agreed or offered to share any data of black money.

Rise in the Sensex

1055. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that after election to the 15th Lok Sabha the Sensex soared on buying frenzy:

(b) if so, the details thereof; and

(c) what is its impact on the economy in near future and on long term?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) to (c) Pursuant to the election result of 15th Lok Sabha, on May 18, 2009, the weighted average closing value of Sensex was computed as 14284.21, representing a rise of 2110.79 points over the previous day's close. On the same day, the weighted average closing value of Nifty index was computed as 4323.15, representing a rise of 651.50 points over the previous day's close.

Subsequently, during the period between May 18, 2009 and July 3, 2009 Sensex had moved from 14284.21 to 14913.05, representing a rise of 628.84 points and Nifty had moved from 4323.15 to 4424.25 representing a rise of 101.1 points.

The movement in stock market indices is a function of perception of the economy, and / or of a sector or of index stocks. Movements of stock market also depend on economic factors, domestic and international events, market sentiments, corporate performance and future economic growth.

Refund of income tax

1056. SHRI VARINDER SINGH BAJWA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Income Tax Refund cases where the amount involved is not more than rupees five thousand or so and relating to senior citizens, are not being disposed of promptly in Delhi;