

Service tax for more services

†224. SHRI RAM JETHMALANI: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that many more services have been brought under Service Tax Act for recovering tax from them in the country;
- (b) if so, the total number of services in the country from which tax would be recovered by Government now;
- (c) whether Government's annual revenue would increase by this step; and
- (d) if so, the quantum of amount thereof and the effect on inflation in the country as a outcome of this tax recovery?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Sir, comprehensive approach to taxation of services has been introduced, due to which more services will come under service tax in the country;

(b) Since selective approach has come to an end, it is not feasible to specify the total number of services from which tax would be recovered by Government now;

(c) Yes, Sir.

(d) Budget Estimate for the current financial year, in respect of service tax, is fixed as Rupees 1,24,000 Crore, an increase of 27 per cent. over the previous year; impact of service tax levy on inflation is a complex phenomenon which depends on interplay of a number of factors, particularly the extent to which the new tax is passed on to the consumer. Therefore, it is not possible to specify the effect on inflation as a outcome of service tax recovery.

Policy for unclaimed fund

†225. SHRI RASHEED MASOOD: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Rs. 22,016 crores of insurance policy, Provident Fund and Fixed Deposit are lying as unclaimed funds;
- (b) if so, the details thereof; and

† Original notice of the question was received in Hindi.

- (c) whether Government has chalked out any policy to utilize this money?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) As per the information furnished by Insurance Regulatory and Development Authority (IRDA) and Reserve Bank of India (RBI), the amount of unclaimed amount for insurance industry and Fixed deposits by all Scheduled Commercial Banks are as below:

- (i) Unclaimed amount in Insurance sector Rs. 3,037.46 crore (as on 31.03.2012)

- (ii) Unclaimed funds in Fixed Deposit Rs. 425.89 crore (as on 31.12.2011)
The Ministry of Labour and Employment has informed that there is no unclaimed fund lying with Employee, Provident Fund Organization. However, there are certain accounts which are classified as Inoperative Accounts and all such accounts have a definite claimant. For the year 2011-12 an amount of Rs. 22,636.57 crore (provisional) is lying in Inoperative Accounts.

- (c) No, Sir. However, (i) In respect of unclaimed amount in insurance industry, IRDA has advised the insurers that unclaimed sum would not be appropriated/written back.

- (ii) In respect of unclaimed funds in Fixed Deposits, the Government has introduced the Banking Laws (Amendment) Bill, 2011 wherein provision has been made for the establishment of a "Depositor Education and Awareness Fund" to take over inoperative deposit accounts which have not been claimed or operated for a period of 10 years or more.

- (iii) The Ministry of Labour and Employment has further informed that the amount lying in the Inoperative Account under Employees' Provident Fund Organization cannot be utilized except for the settlement of the members' account.

Free electronic fund transfer in banks

†226. SHRI RASHEED MASOOD: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Government proposes to make the electronic fund transfer free in banks;

- (b) if so the time by which;

- (c) whether it is fact that Oriental Bank Of Commerce has removed all kinds of charges on the transfer of the amount upto rupees one lakh;

† Original notice of the question was received in Hindi.