

(d) There is no provision under Reserve Bank of India Act, 1934.

(e) In view of reply to (d) above, does not arise.

#### **Relaxation of FDI limits**

1920. SHRI M.P. ACHUTHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government has decided to liberalise the Foreign Direct Investment (FDI) regime further relaxing FDI limits in various sectors including defence and telecom; and

(b) if so, the details of the changes made and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Yes, Sir.

(b) The Government has decided to amend the provisions relating to the FDI caps, routes and norms in various sectors namely Petroleum & Natural Gas, Commodity Exchanges, Power exchanges, Stock Exchanges, depositories and clearing corporations, Asset Reconstruction Company, Credit information companies, single-brand product retail trading, Telecom Services, Courier services, Defence and Multi Brand Retail Trading. Details of the same are available in the Press Note No. 6 (2013 series) dated 22.08.2013 of the Department of Industrial Policy and Promotion. The basic reason for liberalizing the caps, routes and norms is to attract more foreign investment and enable infusion of latest technology.

#### **Regulation of commission rate to insurance sales agents**

1921. SHRI M.P. ACHUTHAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Insurance Regulatory and Development Authority (IRDA) has taken any action to regulate the first year commission rate to the sales agents;

(b) if so, the details thereof;

(c) whether there was any drop in the first year premium of Life Insurance business during the last three years; and

(d) if so, the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) The Insurance Regulatory and Development Authority (IRDA) has notified Insurance Regulatory and Development Authority (Linked Insurance Products) Regulations, 2013 wherein, Regulation (9) prescribes levels of commission under the linked insurance products. Similarly Commission norms in respect of non linked products have been prescribed in Regulation (21) of Insurance Regulatory and Development Authority (Non-Linked Insurance Products) Regulations, 2013.

(c) and (d) As informed by the IRDA, the position regarding first year premium of the life insurance business in the last three years, is as follows:

Year	First Year Premium (in Crs)	% Growth
2010-11	126398.18	15.02
2011-12	113942.17	-9.85
2012-13	107008.37	-6.48

The recent negative growth may be attributed to factors rooted in the economic environment.

#### **Interest subsidy scheme on educational loan**

1922. SHRI RAJEEV CHANDRASEKHAR Will the Minister of FINANCE be pleased to state:

(a) whether Government has formulated an interest subsidy scheme applicable from academic year 2009-10, to provide full interest subsidy on educational loans to students whose parental/family income is less than Rs 4.5 lakhs per annum;

(b) if so, the details of the budgetary allocation made to the Credit Guarantee Fund for this purpose; and