

- (a) Simple interest is charged during the study period and upto commencement of repayment;
- (b) 1% interest concession is provided by the banks, if interest is serviced during the study period and subsequent moratorium period prior to commencement of repayment;
- (c) 0.5% concession in interest rates is provided for the girl students;
- (d) Rebate in income tax is provided to the extent of interest paid on education loan.

Decision on selling of residuals take in Hindustan Zinc Limited and BALCO

2074. DR. PRADEEP KUMAR BALMUCHU : Will the Minister of FINANCE be pleased to state :

- (a) whether Government is contemplating on selling its residual stake in Hindustan Zinc Ltd. (HZL) and BALCO;
- (b) if so, the details thereof;
- (c) whether the Cabinet Committee on Economic Affairs (CCEA) has taken a decision in its meeting held recently to sell Government's stake in these companies; and
- (d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JESUDASU SEELAM) : (a) and (b) Yes, Sir. Government is contemplating selling its residual stake in the Hindustan Zinc Limited (HZL) and BALCO.

(c) and (d) Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 20th January, 2014 has decided that the residual equity held by the Government of India in HZL be disposed of in the open market by the Department of Disinvestment.

Service tax on transportation and storage of rice and cotton

2075. DR. PRADEEP KUMAR BALMUCHU : Will the Minister of FINANCE be pleased to state :

(a) whether Government is planning to impose service tax on transportation and storage of rice and cotton;

(b) if so, the details thereof;

(c) whether the Ministry of Consumer Affairs has sought clarification on imposing service tax on these agricultural products; and

(d) if so, the details thereof and the stand of Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JESUDASU SEELAM) : (a) and (b) Sir, effective from 1st July, 2012, storage of agricultural produce is excluded from the levy of service tax, in view of section 66 D (d) (v) of Finance Act, 1994 read with 65B(5). In terms of the definition in section 65B(5) of the Finance Act, agricultural produce includes paddy and raw cotton but does not include rice and ginned/baled cotton.

Transportation of agricultural produce by rail or a vessel or a goods transport agency, is exempt from service tax, in view of entry 20(h) and 21(a) of mega exemption of notification 25/201 2-ST dated 20th June 2012. Transportation of food stuff, which includes rice, by rail or a vessel or a goods transport agency, is exempt from service tax, in view of entry 20(i) and 21 (d) of the same mega exemption notification. No exemption is available for transportation of ginned/baled cotton.

(c) and (d) Yes. Ministry for Consumer Affairs had sought a clarification. Ministry of Finance had replied on 8th November 2013, that rice and ginned/baled cotton are not covered by the definition of agricultural produce found in section 65B(5) of the Finance Act, 1994.

Proposal to write off tax arrears

2076. SHRI TAPAN KUMAR SEN : Will the Minister of FINANCE be pleased to state :

(a) the total amount of tax arrears along with break up under different heads as on 31 December, 2013;

(b) whether there is any proposal to write off some amount of arrears; and