

Collateral: No collateral for projects costing upto Rs. 1 lakh.

Subsidy: @ 15%, Maximum of Rs. 15000/-.

Margin Money: From 5% to 12.5% of the project cost so as to make the subsidy and margin contribution at 20% of the project cost.

FICCI's recommendation on service tax

638. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:-

(a) whether it is a fact that FICCI has recommended empowerment of States to levy the service tax or sharing a service tax revenue between the Centre and States;

(b) if so, what are the details thereof;and

(c) what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) The States have decided to replace their existing Sales Tax systems with a Value Added Tax system from 1st April, 2003. In this context and also to widen their tax base, the States have requested that they should be allowed to levy tax on services. The request of the States has also been supported by various trade and industry organizations, including the FICCI.

(c) Appropriate action has been initiated in this regard.

Brokers in Insurance Sector

639. SHRI PRASANTA CHATTERJEE: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government are aware of the moves to induct brokers in the insurance industry;and

(b) if so, what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Insurance Brokers as "insurance intermediary" are already permitted under Insurance Regulatory and Development Act, 1999 (IRDA Act, 1999).

Insurance Regulatory and Development Authority (IRDA) has issued IRDA (Insurance Brokers) Regulations 2002 on 16th October, 2002 to regulate the working of brokers in Insurance Industry. The regulations have been issued under the powers vested to the IRDA under IRDA Act., 1999.

New schemes of LIC

640. SHRI B.J. PANDA:

MISS MABEL REBELLO:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether LIC proposes to bring back some of their LIC schemes which were phased out; if so, the details thereof;

(b) whether some new provisions are proposed to be added for the benefits of the customers; if so, the details thereof; and

(c) the details of new schemes which have been launched recently indicating the added benefits to the customers over the earlier schemes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) The Life Insurance Corporation of India (LIC) has informed that the following plans withdrawn by them were reintroduced with revised benefits/premiums. The details are given in the following table:—

Sl. No.	Plans withdrawn	Revised/Re-introduced Plans	Additional Benefits
1	2	3	4
1.	Bima Kiran	New Bima Kiran	Increase in maximum sum assured
2.	Jeevan Shree	New Jeevan Shree	Introduction of Accident Benefit and Term Rider Benefit
3.	Money Back Children Assurance	Komal Jeevan	Nil
4.	Jeevan Suraksha	New Jeevan Suraksha	Provision of Reversionary Bonuses before vesting
5.	Jeevan Sanchaya	Jeevan Samridhi	Introduction of Term Rider Option
6.	Bima Nivesh 2001	New Bima Nivesh	Nil