

GST on liquor and petro-products

1760. DR. R. LAKSHMANAN: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that State Governments are making demand to keep liquor and petro-products out of the purview of the Goods and Services Tax (GST);
- (b) if so, the reasons therefor; and
- (c) what is Government's stand regarding this?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) and (b) Yes, Sir. State Governments have demanded to keep these products out of the purview of the Goods and Services Tax (GST) on the ground that taxes on these products are an important source of revenue.

(c) The Union Government holds that all goods and services, except alcoholic liquor for human consumption, should be brought under the purview of GST. However, to protect the revenues of the States from petroleum, Centre has proposed that present taxes levied by the States and the Centre on petroleum and petroleum products, *i.e.*, Sales Tax/VAT and Excise Duty respectively, will not be subsumed, and will be levied over and above GST. The tax rate under GST may be nominal or zero-rated for the time being. This has been proposed to insulate the revenues of States from the impact of GST, with the expectation that in due course, GST will be levied on petroleum and petroleum products.

Vacancies in IT department

†1761. SHRIMATI KAHKASHAN PERWEEN: Will the Minister of FINANCE be pleased to state:

- (a) whether Government is aware of the fact that top posts like Chief Commissioner, Principal Chief Commissioner and even Members of Board are lying vacant for the past many years in Income Tax (IT) Department;
- (b) if so, whether Government has carried out any Cadre Review;
- (c) if so, the details thereof and if not, the reasons therefor;
- (d) whether Government is proposing any specific plan to fill these vacant posts;

†Original notice of the question was received in Hindi.

(e) if so, the details thereof; and

(f) whether Government's attention has been drawn to the fact that there is deep disappointment in officers of Commissioner level as they are not getting promotions?

THE MINISTER OF FINANCE (SHRI ARUN JAITLEY): (a) Yes Sir.

(b) to (f) Cadre restructuring in Income Tax Department was approved in 2013 and 20,751 additional posts have been created in various grades. For vacant posts, promotions are done on regular basis as per the Government instructions and prescribed procedure, which is an ongoing process. In the meantime vacancies are manned by the existing incumbents by holding additional charges so that work is carried out efficiently with accountability.

Coverage of unbanked villages

1762. SHRI BHUPINDER SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether any steps have been taken by the Ministry towards covering of unbanked villages by Brick-Mortar branches of Scheduled Commercial Banks (SCBs); and

(b) if not, whether the Ministry will consider to issue such instructions as each unbanked Gram Panchayat is covered by a Brick and Mortar branch of a scheduled Commercial Bank within the Twelfth Five Year Plan period?

THE MINISTER OF FINANCE (SHRI ARUN JAITLEY): (a) and (b) In order to extend the banking network in unbanked areas, general permission has been granted by Reserve Bank of India (RBI) to domestic Scheduled Commercial Banks (other than Regional Rural Banks) to open branches/ mobile branches/ Administrative Offices/CPCs (Service Branches), (i) in Tier 2 to Tier 6 centres (with population upto 99,999) and (ii) in rural, semi-urban and urban centres of the North-Eastern States and Sikkim subject to reporting. RBI has advised banks that while preparing their Annual Branch Expansion Plan (ABEP), the banks should allocate at least 25 percent of the total number of branches proposed to be opened during a year in unbanked rural (Tier 5 and Tier 6) centres.

In order to provide universal access to banking facilities with at least one basic bank account for every household, Pradhan Mantri Jan-Dhan Yojana (PMJDY) has been launched across the country as a national mission on financial inclusion. Under PMJDY, entire country has been mapped in Sub Service Areas (SSAs) in rural areas and Wards