

(d) what action initiated by the Government to realise the Service Tax, so levied upon the passengers by the railways?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) Indian Railways are collecting Service Tax from commuters on Tatkal ticket and not on ticket cancellation and bed roll charges.

(b) Yes, Sir. The levy of Service Tax on Tatkal service is in consonance with Service Tax law.

(c) The Service Tax collected by Zonal Railways are accounted for under M.H.0044 and Railway Board sends their account to CGA and the same is adjusted through book adjustment. The amount of Service Tax so collected since 2012-13 to 2015-16 are as under:

Year	Collected as per Current Account of Zonal Railways (₹ crore)	Remitted as per Min. of Railways (₹ crore)
2012-13	1478.10	1478.10
2013-14	3449.34	3449.34
2014-15	3461.91	3461.91
2015-16 (provisional)	4618.66	4618.66

From the above it can be seen that all the amount has been remitted.

(d) Does not arise in view of reply to part (c) above.

Limiting GST rate below 18 per cent

2538. DR. PRADEEP KUMAR BALMUCHU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is a great ambiguity and confusion in the proposed GST Bill with regard to indirect tax laws, if so, the details thereof;

(b) whether the Internet and Mobile Association of India (IAMAI) and Price Water House Coopers (PWC) have suggested limiting GST rate to below 18 per cent, if so, the details thereof;

(c) what are the other recommendations proposed by the IAMAI and PWC suggested in their report, the details thereof; and

(d) the steps being taken by Government to address the issues raised by the e-commerce companies;

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) The Constitution (122nd Amendment) Bill, 2014, has been finalized keeping in view the broad consensus arrived at between the Centre and the States and various stakeholders consultations leaving minimal scope for any ambiguity.

(b) A representation has been received from Internet and Mobile Association of India (IAMAI). No suggestion regarding limiting GST rate to below 18 per cent has been made in the representation. No representation has been received from PWC.

(c) Summary of recommendations of IMAI may be seen in the Statement (*See below*).

(d) To address various issues raised by the e-commerce companies, Committee for handling stakeholder consultations on Model GST Law has been constituted. The report of this committee is yet to be finalised, which shall be taken into account before finalising the Model GST Laws.

Statement

The Summary of Recommendations of IMAI

- (1) Rules to define Service Exports may be suitably inserted and all service export transaction to be rated '0' [zero] under GST (without the condition of Address on record)
- (2) Alternatively, the definition of 'address on record' may be reworded to read address on record means the address of the recipient as available in the records of the supplier' and shall include any address provided by recipient that indicates the State or country of such recipient.
- (3) 'Digital/Internet Services' should be recognised as a separate category from the present categorisation of 'telecommunications'.
- (4) The 'Supply of Services' (Schedule II Section 5) and 'Place of Supply' (Section 6) should be suitably amended to make provisions for recognising digital services.
- (5) It is urged that the scope of 'supply' is narrowed down for the purpose of levying GST in consensus with the basic tenet of taxation to not tax any such transaction where there is no consideration accruing to the person who is making supply either of goods or services.
- (6) With regard to stock transfers, while levy of GST is reasonable to ensure movement of credits across State boundaries, a mechanism should be prescribed to re-coup the same if the products remain unsold.

- (7) 'Actionable claims' must be treated as cash equivalents or as money, and must not be qualified as goods or services. Suitable provisions must be incorporated to ensure that issuance of such actionable claims does not tantamount to supply, and must not be subject to levy of GST.
- (8) It is recommended that clarity must be brought to distinguish between the roles of an 'aggregator' *vis-à-vis* the roles of an 'electronic commerce operator'.
- (9) The applicability of provisions of Chapter XIB on aggregators and e-commerce operators must also be clarified.
- (10) There should be consistency and clarity in regulatory interpretation of the activity of intermediaries, in concurrence with existing legal provisions, so as to ensure efficient governance. In case of digital intermediaries, the existing IT Act, 2000 must be the benchmark for interpreting the role of all digital and internet companies.
- (11) TCS for e-commerce must be withdrawn to ensure consistency with existing provisions like FDI norms, IT Act and ensure that the sector is not unduly burdened with compliance burdens. Information about transactions over e-commerce platforms can be submitted in the context of the suppliers effecting supplies through such operator as per section 43C (10) of the Model Law. Therefore, there is no requirement for introduction of the concept of TCS.
- (12) It is recommended that the best practices in majority of the countries be followed in India as well. Malaysia and Singapore treat supplies online and offline sale of goods on par, as is the case with the EU.
- (13) TCS or registration norms for e-commerce must be made at par with offline counterparts to ensure level playing field between platforms.
- (14) The intermediary role played by the digital industry must be given due recognition in registration norms to avoid multiple registrations for centralised service providers like such businesses.

Outstanding student loans

2539. SHRIMATI KANIMOZHI: Will the Minister of FINANCE be pleased to state:

- (a) the details of total amount of student loans disbursed by Public Sector Banks for the last three years, year-wise and State-wise;
- (b) the total amount of student loans disbursed by Private Sector Banks for the last three years, year-wise and State-wise;