

codifying the doctrine of "substance over form" where the real intention of the parties and effect of transactions and purpose of an arrangement is taken into account for determining the tax consequences, irrespective of the legal structure that has been superimposed to camouflage the real intent and purpose; General Anti Avoidance provisions have been included in the Act by way of insertion of Chapter XA. These will become effective from Assessment Year 2018-19 onwards, *i.e.*, it will apply to income relating to financial year 2017-18 onwards.

Indirect Tax

The Government takes preventive as well as corrective action to detect evasion of taxes. The Directorate General of Central Excise Intelligence (DGCEI) and the Directorate General of Revenue Intelligence (DGRI) are the two premier investigating agencies under CBEC dealing with Central Excise, Service Tax and Customs Duty evasion cases. These agencies, besides undertaking operations against large scale evasion of taxes, also issue *Modus Operandi* Circulars in the cases having all India ramifications/revelation of any unique *modus operandi*, to apprise the field formations in respect of *modus operandi* adopted by the offenders to enable them to tackle similar cases at local levels. Further, scrutiny of returns and audit of records of taxpayers is undertaken to pre-empt tax evasion/avoidance.

Taxation policy for inclusion of income of private practioners

†929. SHRI NARESH AGRAWAL: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that no policy has been formulated till date to bring the income earned by doctors and lawyers from private practice under tax bracket;
- (b) if so, the reason therefor; whether this income will not encourage black money and tax evasion; and
- (c) if not, the policy under which doctors and lawyer pay tax?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) No. Income-tax Act, 1961 already contains provisions for taxation of income earned by doctors and lawyers from private practice.

(b) Does not arise in view of (a) above.

(c) Doctors and lawyers are required to pay tax on their income as per the provisions of the Income-tax Act, 1961. Further *vide* Finance Act, 2016 presumptive taxation regime is

†Original notice of the question was received in Hindi.

also provided for professionals including doctors and lawyers having gross receipts up to rupees fifty lakh in a previous year.

Impact of cash transfers on economy

930. SHRI AJAY SANCHETI: Will the Minister of FINANCE be pleased to state:

- (a) whether cash transfers have directly improved the economic levels of India's poor;
- (b) if so, the details thereof; and
- (c) how far it has raised economic efficiency and market distortions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ARJUN RAM MEGHWAL): (a) to (c) The Direct Benefit Transfer (DBT) Schemes since its introduction into various schemes with the help of aadhaar seeded bank accounts of the beneficiaries have been helpful in better targeting of the beneficiaries by way of elimination of fake/duplicate/ghost beneficiaries as well as curbing pilferage. The DBT has also achieved process re-engineering of government schemes for simpler and faster flow of information and funds. Till date, a total of 74 schemes pertaining to Central Sector, Centrally Sponsored Sector and State Sector have been boarded on the DBT platform.

Increase in emoluments of Government employees on pay revision

931. SHRI C.P. NARAYANAN: Will the Minister of FINANCE be pleased to state:

- (a) what average increase (in percentage) did Government employees get when pay revision was introduced in 1996 and 2006;
- (b) what is the corresponding percentage proposed this time;
- (c) what is the logic for reported decrease in average percentage increase in emoluments; and
- (d) what is the ratio between the smallest pay and highest pay according to present revision?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ARJUN RAM MEGHWAL): (a) and (b) The 7th Central Pay Commission has mentioned that while the real increase given in 1996 and 2006 in minimum pay was 31% and 54% respectively, the same is 14.29% based on its recommendations.

(c) The 7th Central Pay Commission has worked out its recommendations on pay based on all relevant factors having a bearing upon the prevailing circumstances and,