

The House then adjourned for lunch at one minute past one of the clock.

The House reassembled after lunch at two minutes past two of the clock,

MR. DEPUTY CHAIRMAN *in the Chair*

GOVERNMENT BILLS

The Central Goods and Services Tax Bill, 2017

The Integrated Goods and Services Tax Bill, 2017

The Goods and Services Tax (Compensation to States) Bill, 2017

The Union Territory Goods and Services Tax Bill, 2017 — Contd*.

MR. DEPUTY CHAIRMAN: We will now continue with the discussion on the GST Bills. Shri Surendra Singh Nagar.

श्री सुरेंद्र सिंह नागर (उत्तर प्रदेश): उपसभापति जी, मैं अपनी पार्टी की तरफ से जीएसटी बिल पर बोलने के लिए खड़ा हुआ हूँ। यह बिल यूपीए रिजीम में आया था। मेरा मानना है कि यह बिल वैल थॉट बिल है, देश की जरूरत है और जिस तरीके का स्टेटमेंट मैंने कांग्रेस के डिप्टी लीडर आनन्द शर्मा जी का "इंडियन एक्सप्रेस" में पढ़ा, जिसमें उन्होंने कहा है कि कांग्रेस भी इस बिल को पास करने में सहयोग देगी, कुछ इसी तरीके से कहा है, इसलिए मुझे उम्मीद है कि जिस तरह की सरकार की सोच है कि पूरे देश में जीएसटी 1 जुलाई, 2017 लागू हो जाए, वह लागू होगा। मैं वित्त मंत्री जी को बधाई भी देना चाहता हूँ कि यूपीए रिजीम में यह बिल आया था, इधर के लोग आपको नहीं समझा पाए, लेकिन आपने कम से कम इन लोगों को समझा लिया और इस जीएसटी बिल को पास करने का रास्ता बना लिया। इसके लिए मैं आपको बधाई देना चाहता हूँ।

श्री जयराम रमेश (कर्णाटक): यहां बैठने की कुछ बीमारी होती है।

श्री सुरेंद्र सिंह नागर: मैं इसे बीमारी तो नहीं कहूंगा, लेकिन हो सकता है कि इधर के कुछ लोग उससे सहमत न हों।

श्री सतीश चंद्र मिश्रा (उत्तर प्रदेश): बीमारी होती है या मजबूरी होती है?

श्री सुरेंद्र सिंह नागर: महोदय, सबसे पहले मैं यह जानना चाहूंगा कि इस बिल का हमारे जीडीपी पर क्या फर्क पड़ेगा? चूंकि मेरे पास बोलने के लिए बहुत लंबा समय नहीं है, इसलिए सीधे-सीधे चार-पांच प्रश्न माननीय वित्त मंत्री जी से पूछना चाहूंगा। एक प्रश्न के जवाब में जिस तरीके के आंकड़े सरकार ने दिए, उसमें बताया गया है कि जीडीपी की जो ग्रोथ है, अगर सैक्टरवाइज़ ले लें, तो माइनिंग में 11 परसेंट डाउन है, मैनुफैक्चरिंग में 29.5 परसेंट डाउन है, होटल, ट्रांसपोर्ट, कम्युनिकेशंस, इनमें अगर देखें तो इनमें भी ग्रोथ रेट डाऊन है, रियल एस्टेट

* Further discussion continued from 5th April 2017.

[श्री सुरेंद्र सिंह नागर]

में भी ग्रोथ रेट डाउन है। इनके इंप्लीमेंटेशन के बाद इन्फ्लेशन ऊपर-नीचे जाएगा। पूरी दुनिया में जहां भी GST लागू हुआ है, वहां इस तरीके से inflation ऊपर-नीचे होता है, ऐसा देखा गया है। इसलिए मेरा माननीय मंत्री जी से प्रश्न है कि इस stage पर हमारा जो GDP है, यह GST लागू होने से उस पर क्या फर्क पड़ेगा? मेरा दूसरा प्रश्न FDI को लेकर है कि GST लागू होने के बाद FDI पर इसका क्या असर पड़ेगा? जब माननीय मंत्री जी जवाब देंगे, तो मुझे उम्मीद है कि वे इसे स्पष्ट करेंगे।

महोदय, इसमें दूसरी बड़ी परेशानी यह है कि यह GST इसलिए बनाया गया कि इसकी मुख्य बात थी — "one country, one tax", लेकिन अगर आप इसके registration और compliance को देखें, तो इसमें कम से कम 36 registrations कराने पड़ेंगे। अगर आपको पूरे देश में व्यापार करना है, तो आपको हर स्टेट में अपना registration कराना पड़ेगा। इसलिए इस बिल की जो मूल भावना थी कि हम इसको simplify करेंगे, इसकी वह मूल भावना खत्म हो गई। यह सरकार के सामने एक बड़ी चुनौती है। वह इसको कैसे simplify करेगी और इसमें कैसे सुधार करेगी, माननीय मंत्री जी जब अपना जवाब देंगे, तो निश्चित रूप से इसे बताने का काम करेंगे।

महोदय, इसमें स्टेट्स को लेकर एक अन्य परेशानी है। माननीय मंत्री जी, मैं एक ऐसे स्टेट से आता हूँ, जो आबादी की दृष्टि से एक बड़ा स्टेट है। यहां बुंदेलखंड की चर्चा हुई, वहां सूखा पड़ता है। जहां से हमारे प्रदेश के मुख्य मंत्री, योगी जी, आते हैं, वहां हर वर्ष बाढ़ आती है। जब ऐसी स्थिति आएगी और स्टेट्स मुआवजा मांगेंगे, उस स्थिति में और उसके साथ-साथ कल भी Municipal Corporations की बात उठी थी, उनके लिए आप कैसे स्टेट्स की मदद करेंगे, इसके लिए आपकी क्या योजना है, यह मेरा आपसे प्रश्न है।

इसके अलावा, जब GST लागू होगा, तो crores of data generate होंगे। उसकी privacy का किस तरीके से ध्यान रखा जाएगा, ताकि वह leak न हो, उसके लिए आपने इस बिल के अन्दर कोई व्यवस्था नहीं की है। मुझे उम्मीद है कि यह leak नहीं होना चाहिए, लेकिन अगर यह leak होगा, तो यह कितना बड़ा data है, इसमें करोड़ों data प्रतिदिन generate होंगे, उसके लिए आपने इसमें कुछ नहीं कहा है।

इसके अलावा, अगर इसे लागू करने की बात करें, तो आज तक यह पता नहीं है कि इसमें tax के rates क्या होंगे। पूरे देश के व्यापारी, industry वाले, सब लोग इस इंतजार में हैं कि वे जो सामान बना रहे हैं, उनके rates क्या होंगे। अगर आप इसका implementation part देखेंगे, तो आप उनको कैसे educate करेंगे? आपने कहा है कि हम इसे 15 दिन के अन्दर कर देंगे, लेकिन आप वहां, लोक सभा में जो बिल लेकर आए, उसके बाद काउंसिल की मीटिंग हुई, उसने कुछ और नए सुधार कर दिए, इस तरह की बात आई है। आपने जो tax लगाए हैं, वे अभी तक public domain में नहीं हैं। इसके अलावा, जो 6 करोड़ छोटे व्यापारी हैं, उन 6 करोड़ छोटे व्यापारियों में 70 परसेंट ऐसे हैं, जिनके पास कम्प्यूटर नहीं है। वे अपना काम कैसे करेंगे, अपनी returns कैसे भरेंगे? सरकार उनको किस तरीके से सहयोग करेगी, किस तरीके से एजुकेट करेगी? माननीय मंत्री जी अपने जवाब में इसके बारे में बताने का कष्ट करें।

आपने input credit की बात की है, लेकिन input credit को payment से जोड़ दिया है। माननीय मंत्री जी, मेरा अनुरोध है कि आप इसे invoice से जुड़ा रहने दें, इसको आप payment से न जोड़ें। आप किसानों की बात करते हैं। आपने GST के माध्यम से 'one country, one tax' की पिरकल्पना की है। जो farm agri-produce होते हैं, गेहूं से लेकर, आटे से लेकर जो भी products बनते हैं, उन पर मंडी के नाम पर पूरे देश में ...**(समय की घंटी)**... सर, मैं आपका बहुत ज्यादा समय नहीं लूंगा। Just one more minute, please.

MR. DEPUTY CHAIRMAN: Instead of one, you can take two minutes.

श्री सुरेंद्र सिंह नागर: थैंक यू, सर। जो agri-produce होते हैं, उन पर मंडी भी टैक्स लगाती है, इस तरह उस पर स्टेट गवर्नमेंट के द्वारा multiple tax लगाया जाता है। क्या आप जीएसटी काउंसिल में, agri-produce को लेकर किसानों की जो समस्या है, उसके लिए प्रस्ताव करेंगे, जिससे agri-produce के ऊपर एक ही टैक्स हो? क्या आप इस पर कोई विचार करेंगे?

इसके अलावा जब सर्विसेज़ पर टैक्स लगेगा, तो निश्चित रूप से महंगाई बढ़ेगी और आम नागरिक भी उससे प्रभावित होगा। यह एक सच्चाई है। आप दो से तीन साल का settling down period मानते हैं, लेकिन इस settling down period के तीन वर्षों में कीमतें बहुत ज्यादा न बढ़ें, इसके लिए आपकी क्या योजना है, इसके बारे में आपने कहीं नहीं बताया है।

महोदय, यह बात सही है कि मुनाफाखोरी रोकने के लिए आपने प्रोविज़न किया है, लेकिन इसके साथ-साथ आपने यह नहीं बताया है कि जब चीज़ों पर टैक्स कम होगा, तो उस मुनाफे को आप कंज्यूमर तक कैसे पहुंचाएंगे, इसको कैसे एश्योर करेंगे? आपने इसका जिम्मा नहीं किया है। मेरा मानना है कि जो प्रॉफिट हो, वह प्रॉफिट कंज्यूमर तक pass-on होना चाहिए, लेकिन आपने इसके लिए इसमें कुछ नहीं बताया है।

महोदय, जब यह कानून बनेगा, तो इसमें बहुत सारी परेशानियां भी आएंगी, क्योंकि यह एक नया कानून होगा, साथ ही अधिकारियों को भी इसमें मौका मिल जाएगा। वे करते क्या हैं कि tax लगा देते हैं, उसके बाद आप अदालत घूमते रहिए या दूसरी जगह घूमते रहिए।

माननीय मंत्री जी, मेरा आपसे अनुरोध है कि यह एक नया कानून है और लोगों को इसकी जानकारी नहीं है। जब तक लोगों को इसकी जानकारी होगी, तब तक अधिकारी लोगों के ऊपर टैक्स का बोझ बढ़ा देंगे और इसका misuse करने लगेंगे। मेरा आपसे अनुरोध है कि आप कोई ऐसा रास्ता निकालें, जहां वह व्यापारी उन अधिकारियों के खिलाफ अपना पक्ष रखने के लिए भी जा सके और जल्दी ही उसकी सुनवाई भी हो जाए। इसके लिए चाहे आप कोई tribunal बना दें, कोई fast track court बना दें अथवा कुछ इस तरीके की व्यवस्था कर दें, जिससे ऊपर वाले जो अधिकारी हैं, वे उनका फायदा न उठा सकें और भ्रष्टाचार बढ़ने से रोका जा सके।

श्री उपसभापति: अब समाप्त कीजिए।

श्री सुरेंद्र सिंह नागर: अंत में पुनः आपका धन्यवाद करते हुए मैं यही कहना चाहूंगा कि यह एक नई उम्मीद और एक नये विकास की राह इस देश की प्रगति में लेकर आएगा। इसी के साथ इस बिल का समर्थन करते हुए मैं अपनी बात को समाप्त करता हूँ, बहुत-बहुत धन्यवाद।

श्री उपसभापति: सुरेंद्र सिंह नागर जी, धन्यवाद। श्री शरद यादव जी, नहीं हैं। श्री टी. के. रंगराजन जी, नहीं हैं। श्री सतीश चंद्र मिश्रा।

श्री सतीश चंद्र मिश्रा (उत्तर प्रदेश): माननीय उपसभापति महोदय, यह एक ऐतिहासिक बिल है। मेरा सौभाग्य है कि मैं इसकी Select Committee में Member रहा था, इसलिए जिस तरीके से इसे develop किया गया और इसका जो पूरा process था, उसमें मैं एक part रहा हूँ। हमने देखा है कि यह बिल किस तरीके से बनकर आया है।

महोदय, हमारी पार्टी और हमारी पार्टी की नेता, बहन सुश्री मायावती जी ने GST के support में पहले भी बोला, आज भी कहा और आज भी हमारी पार्टी इसका समर्थन करने के लिए खड़ी हुई है। लेकिन समर्थन करते समय, कुछ बातें हैं, जिन्हें माननीय वित्त मंत्री जी के सामने हम लाना चाहेंगे। इसके बारे में बहुत सी बातें कही जा चुकी हैं, उन्हें हम repeat नहीं करेंगे— जैसे कि multiplicity of accounts, कैसे छोटे-छोटे व्यापारी अगर Net की facility नहीं है, अगर internet available नहीं है, तो किस तरह से अपने accounts बनाएंगे। उन्हें chartered accountants की जरूरत पड़ेगी, उन्हें accountants की भी जरूरत पड़ेगी और इन सब चीजों में शायद जितनी कमाई नहीं होगी, उससे ज्यादा उनका खर्चा हो जाएगा।

महोदय, चूंकि यह पहला वर्ष है, इसलिए यह जुलाई से start होगा। जब जुलाई से स्टार्ट होगा, तो यह तय है कि लोगों को इससे acclimatize होने में भी टाइम लगेगा। जब वे acclimatize होंगे, तो उसमें वक्त लगेगा और उस वक्त को ध्यान में रखते हुए, ऐसी बहुत सी चीजें हैं, जिनके बारे में आज हम apprehensions में कह रहे हैं, लेकिन अगले वर्ष, जब एक वर्ष इसका बीत चुका होगा, तब इस पर एक बार चर्चा जरूर होनी चाहिए, जिससे यह पता लग सके कि इसके क्या repercussions निकले हैं, क्या दिक्कतें आई हैं और क्या समस्याएं आई हैं। ये सब चीजें तभी सामने आएंगी, जब इस पर actual implementation हो चुका होगा।

महोदय, implementation के समय भी कुछ चीजें हैं, जिन्हें हम माननीय वित्त मंत्री जी की नज़र में लाना चाहेंगे और हम यह निवेदन भी करना चाहेंगे कि वे जरा इनके ऊपर ध्यान दें। I will request the hon. Finance Minister to take note of a few important things, which I am trying to bring to his knowledge for consideration.

SHRI JAIRAM RAMESH (Karnataka): If Mr. Rangarajan allows? ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Mr. Rangarajan, you are standing in the way between the Minister and the Member who is speaking.

SHRI SATISH CHANDRA MISRA: Between me and the hon. Minister. What I am trying to convey is what you conveyed.

MR. DEPUTY CHAIRMAN: He is trying to prevent that.

SHRI T. K. RANGARAJAN (Tamil Nadu): Sorry, sorry.

SHRI SATISH CHANDRA MISRA: Now, Sir, through you, I would like to highlight one issue before the hon. Minister. I would like him to consider this while

giving his reply. There is an apprehension, which I am raising. How can it be cleared? Sir, my apprehension is about the persons, who are involved in the businesses, on whom the GST would be applying. Here, I would like to refer to Clause 69 of the Bill. Clause 69 of the Bill is about the power to arrest. Under Clause 69, the power to arrest has been given to the Commissioner. He can arrest if an offence has been committed under Clause 132 (a) onwards. You read Clause 132 (a) with Clause 138 (1). Clause 132 (a) to (f) makes it compoundable. It is compoundable, but it is cognizable. It is cognizable; other offences are bailable. If a person is arrested for the offences referred to under Clause 132 (a) to (f), he will be granted bail under sub-Clause (v) which provides for that, as it will be a bailable offence under Clause 132 (v); it says so. But, it also says that the offences specified in Clause (a), or, Clause (b), or, Clause (c), or, Clause (d) of sub-Clause (1), and punishable under the sub-Clause shall be cognizable and non-bailable. Now, once it is non-bailable, simultaneously, the very same offences under Clause 138 (1) are compoundable. If the offence for which he is going to be arrested is compoundable, and we are in the first year of the implementation — Clause 138 (1) says which offences would be compoundable; the offences between (a) to (f) are covered — then, why do you arrest him? You are arresting him but not giving bail. For other offences, he will be getting bail, but in this, he will not be getting bail.

So, my only submission for the consideration of the hon. Finance Minister is that he has to keep in view that this is a new Act. Power of seizure is also there. Power of seizure is already there under Clause 130. Now, the material can be seized. Not only can it be seized but under Clause 129, it says that it can be detained as well — the truck in which the material is going will be detained — and it will be released only after paying a minimum twenty-five thousand rupees or paying hundred per cent of the fine. Now, these penalties which have been imposed, especially of ‘arrest’ and ‘compoundable’, are self-contradictory. Now, if we want that the persons who are entering into this business should come into this and learn about this, at least, in the first year, there should be a relaxation, and it may be considered that an offence which is compoundable may also be bailable. There can be genuine mistakes. There can be some difficulties in the very first year in understanding the law, in its implementation. It is a new law and, therefore, if it is compoundable, it should not be non-bailable. That is the submission which I wanted to make and especially when there is a provision for seizure.

While saying this, as I said, we are supporting the Bill. We only have the same apprehensions which we had raised before the Committee also and those apprehensions are regarding the multiplicity of the accounting system, multiplicity at various levels and difficulties where CGST is to be applicable and the State GST is also to be

[Shri Satish Chandra Misra]

applicable. Now maintaining two accounts may result into some flaw and then landing into penalty. Therefore, for these penal provisions, for the first year, at least, if not for the future, in the beginning, there should be some relaxation. Because it is in the Statute, therefore, the officers will apply it. They will not say that 'Since it is first year, so we are not enforcing it.' Now, what method can be adopted is that there should be some relaxation in the very first year. I am not saying that 'relaxation' means that the person may commit offence. अगर वे offence करते हैं, तो punishable होना चाहिए। लेकिन अगर एक नया प्रोविजन आ रहा है, जोकि इतने वर्षों में पहली बार आ रहा है, जिसको समझने में समय लगेगा, तो कहीं ऐसा न हो कि ये जो छोटे-छोटे व्यापारी हैं और जो छोटे-छोटे काम करने वाले लोग हैं, इसमें वे लोग, जोकि ज्यादातर अनपढ़ लोग भी हैं, ऐसे लोग इसमें उलझकर arrest भी हो जाएँ, detain भी हो जाएँ और जब compounding भी हो सकती है, उसकी compounding न करा सके। इसके साथ ही, मैं ज्यादा समय न लेते हुए, इस बिल का समर्थन करता हूँ।

MR. DEPUTY CHAIRMAN: Now, Shri C.M. Ramesh; not present. Shri Praful Patel. ...*(Interruptions)*...

श्री शरद यादव (बिहार): सर..

श्री उपसभापति: क्या आपको अभी बोलना है?

श्री शरद यादव: जी, सर। आप मुझे अभी बोलने देते।

श्री उपसभापति: मैंने पहले आपको बुलाया था, लेकिन ...*(व्यवधान)*... ठीक है, आप बोलिए। ...*(व्यवधान)*...

श्री शरद यादव: सर, प्रफुल्ल पटेल जी इसमें ज्यादा अच्छा बोलेंगे। ...*(व्यवधान)*... नहीं तो अपना नम्बर ...*(व्यवधान)*...

श्री प्रफुल्ल पटेल (महाराष्ट्र): नहीं, नहीं। सर ...*(व्यवधान)*...

श्री उपसभापति: उन्होंने एग्री कर दिया। ...*(व्यवधान)*... प्रफुल्ल पटेल जी ने एग्री कर दिया। कोई बात नहीं, आप बोलिए।

श्री शरद यादव: डिप्टी चेयरमैन सर, बहुत अरसे से इस GST Bill के लिए इतनी बहस, इतनी डिबेट हुई है और मैं मानता हूँ कि पूरे देश के जितने भी सूबे हैं, जितने भी उनके फाइनेंस मिनिस्टर्स हों, सुशील मोदी से लेकर मिश्रा साहब तक, इतने विस्तार से इस मामले में चर्चा हुई है और हम लोग तो इसके हक में लगातार लगे रहे। आज भी मैं इस बिल के हक में बोलने के लिए खड़ा हुआ हूँ। मैं इसमें सिर्फ दो-चार बातें कहना चाहता हूँ। चूँकि इस मामले में इतने विस्तार से बहस हो चुकी है कि इस पर मैं बहुत ज्यादा समय लेना और इस पर बहुत ज्यादा बोलना वाजिब नहीं मानता।

सर, मैं आपके माध्यम से एक-दो बातें ही कहना चाहता हूँ। जो MSMEs हैं, उनके लोग

मुझसे मिले थे। लगभग 35 तरह के पेपर्स उनको सबमिट करने पड़ेंगे। वैसे तो बहुत से देशों में जीएसटी लगा हुआ है, यह लगाना चाहिए, लेकिन जब हमारे यहां यह लग रहा है, तो इसको जितना सरल किया जाए, उतना ही बेहतर होगा।

दूसरी चीज यह है कि हमारे यहां इंफ्रास्ट्रक्चर नहीं है। आप इस मामले में क्या करेंगे? आपने बहुत सी चीजों को जीएसटी से बाहर भी रखा है। यह आपकी और सभी राज्यों की सहमति के बाद हुआ है। यह एक जरूरी चीज है, क्योंकि इतने बड़े देश में सहमति बनाने में बहुत समय लगता है और मैं यह मानता हूँ कि वित्त मंत्री जी इसमें बहुत लगन के साथ, बहुत ताकत के साथ वक्त लगाया है।

महोदय, मैं आपके माध्यम से माननीय मंत्री जी से निवेदन करता हूँ कि उनको एमएसएमई के लोगों से बात करनी चाहिए, क्योंकि अगर कहीं सबसे ज्यादा employment है, तो वह एमएसएमई सेक्टर में है।

दूसरी बात यह है कि इस मामले में जो नेटवर्क है जीएसटी-एन, उसको आपने एक कंपनी को दे दिया है और मुझे इसकी जानकारी है तथा जब यहां पर पूर्व वक्ता बोल रहे थे, तब उन्होंने भी कहा कि भारत सरकार के जो बैंक्स हैं, वे 70 फीसदी हैं, लेकिन ये सारे शेयर्स और सारी चीजें प्राइवेट बैंक्स के ही हाथ में हैं और इस आदमी के लिए यह भी कहा जाता है कि इस पर चार्ज हैं, अब वह कितना सही है, कितना सही नहीं है, उसको आप जवाब देते समय बताएं, लेकिन मैं इतना कहना चाहता हूँ कि जब हमारे पास 70 फीसदी बैंक्स हैं, जो भारत सरकार के हैं, उनके हाथ में ये सारी चीजें होनी चाहिए। जब बाजार गिरा था, तब भी हमारे नेशनलाइज्ड बैंक्स ने हमारी बहुत मदद की थी। इस मामले में इतनी बहस हो चुकी है और एक तरह से दुनिया भर में... पाकिस्तान तक में जीएसटी लग गया है। हमारा देश बड़ा देश है, जब सतीश मिश्रा जी बोल रहे थे तथा और लोग बोल रहे थे कि इसमें सजा के जो कड़े प्रावधान किए गए हैं, उनसे छोटे व्यापारी को ऐसा लगता है, हमें भी ऐसा महसूस होता है कि इससे इंस्पेक्टरों और अफसरों का रोल बहुत बढ़ेगा। आप इस तरह की चीजों को कैसे कम कर पाएंगे? आप अभी शुरू में हैं, नए साल में हैं, मैं मानता हूँ कि इन सब पर सहमति बनाने में बहुत सी चीजें रह गई हैं। आपने बहुत-सी चीजों पर tax लगाने का अधिकार राज्य सरकारों के हाथ में भी दिया है। कुल मिला कर इस पर बहुत लंबी बहस हो चुकी है और मैं मानता हूँ कि मैंने जो एक-दो बातें कही हैं, उन पर ध्यान दिया जाएगा। खास करके small scale industry के लोग इससे बहुत दिक्कत में हैं। बिस्कुट वाले लोग भी आजकल बिस्कुट पहुंचा रहे हैं। उन लोगों का भी सोचना है कि जीएसटी से उनको बहुत दिक्कत आएगी। ऐसा वे बताते हैं। मुझे उसके बारे में जानकारी नहीं है, क्योंकि फाइनेंस के मामले में हम जरा कमजोर आदमी हैं, जब भी फाइनेंस की बात आती है, तो हम अक्सर नहीं बोलते हैं, लेकिन यह बड़ा मामला है, इसलिए नए मौके पर नई चीज हो रही है, तो बिस्कुट वालों का भी क्या है, क्या नहीं है, मैं चाहूंगा कि उस पर फाइनेंस मिनिस्टर ध्यान देंगे। यह जरूर है कि यह जो आपका जीएसटी है, इसमें हमें कई तरह के बिस्कुट देखने को मिले हैं। बिस्कुट वालों की जो समस्या है, वह सही है, वाजिब है या गैर-वाजिब है, मैं उसको नहीं जानता हूँ, उसको आप देख लें। मैं जीएसटी के मामले में ifs and buts नहीं लगाता हूँ, बल्कि मैं इसका पूरी तरह से समर्थन करना चाहता हूँ। हम तो कंज्यूमर स्टेट हैं, हमारी सरकार ने भी, हमारे मित्र, नीतीश कुमार जी ने भी कई बार मुझसे कहा कि यह बहुत अच्छा काम है, इसको आगे बढ़ाना चाहिए। मैं इन्हीं शब्दों के साथ अपनी बात समाप्त करता हूँ, धन्यवाद।

प्रो. राम गोपाल यादव (उत्तर प्रदेश): प्रफुल्ल पटेल जी पूछ रहे हैं कि क्या वह सोने का बिस्कुट है? ...(व्यवधान)...

श्री शरद यादव: अगर हमें सोने के बिस्कुट मिले होते, तो हम जरूर बता देते, मगर अफसोस है कि हमें वे मिले नहीं। ...(व्यवधान)...

MR. DEPUTY CHAIRMAN: Thank you, Sharad Yadavji. Now, Shri Sitaram Yechury. ...(Interruptions)...

SHRI PRAFUL PATEL: Sir, it is my turn. I gave up my turn for Mr. Sharad Yadav. Let me be given... ...(Interruptions)...

श्री शरद यादव: सर, सीताराम येचुरी जी बाद में बोल लेंगे, पहले आप श्री प्रफुल्ल पटेल को बोलने का मौका दीजिए! ...(व्यवधान)...

SHRI SITARAM YECHURY (West Bengal): Sir, let him speak. I would speak after him. ...(Interruptions)...

MR. DEPUTY CHAIRMAN: Now, listen. I have no problem. ...(Interruptions)...

SHRI DEREK O'BRIEN (West Bengal): Sir, it is his birthday today. ...(Interruptions)...

SHRI PRAFUL PATEL: No; it is not my birthday. ...(Interruptions)...

SHRI SITARAM YECHURY: Sir, it is his birthday today. ...(Interruptions)...

SHRI PRAFUL PATEL: I am happy if you celebrate my birthday. ...(Interruptions).. Sir, why should I give up my turn? ...(Interruptions)...

MR. DEPUTY CHAIRMAN: I never asked you to give your turn to ...(Interruptions)...

SHRI PRAFUL PATEL: My name was called, but I gave it to Mr. Sharad Yadav. ...(Interruptions)...

SHRI SITARAM YECHURY: Okay; now my name was called and I gave it to you as your birthday present. ...(Interruptions)...

SHRI PRAFUL PATEL: Then birthday presents have to be 'good biscuits' ...(Interruptions)...

SHRI SITARAM YECHURY: Not the 'gold biscuits'!

SHRI PRAFUL PATEL: Not the biscuits he is talking about. ...(Interruptions)...

MR. DEPUTY CHAIRMAN: Okay.

SHRI PRAFUL PATEL: Mr. Deputy Chairman, Sir, I think the entire House has been one on the passage of the GST Bill. As others have spoken, there is not much to disagree with the current Bill which we are discussing. Unanimity has already been built in the country and, as Mr. Misra said, I was also part of the Select Committee. Therefore, it was dwelt at length and every virtual stakeholder was consulted. There were lots of deliberations and, post that also, Parliament discussed and debated it. Then, it went to the GST Council and then the entire country's unanimity has been built. So, we should not really be discussing and debating all the aspects except some concerns which others have raised and I also associate. Mr. Satish Misra just mentioned about penal provisions. Sir, I think, in any economic matter, it goes into arrest and seizure. I think somewhere we need to correct this impression. I remember the good old days when I was one of the Members of the Parliamentary Standing Committee on Finance. In those days, FERA was in vogue and FERA was sought to be replaced by FEMA because in everchanging economic scenario we needed to have lesser pressures on people doing business. This seizure and arrest was very common during the FERA days and that is why we eventually moved to FEMA. But after moving to FEMA, we also passed another legislation called PMLA, which today has become like almost the order of the day. You do any smallest of thing, the Enforcement Directorate comes into play and PMLA is automatically put. Once PMLA is put against you, then God save you because you end up only in jail and no court in this country is willing even to give you bail. What I am trying to say is that all these penal provisions, the harsh penal provisions, destroy the economic climate of the country and as a consequence of which comes the slowdown, which you sometimes attribute to business and industry in our country. I think some of these issues need to be addressed while we go forward. I think the Finance Minister is very well-aware of this. I am sure the former Finance Minister is also wellaware of what is happening. Therefore, somewhere down the line, I think as a nation and as Parliament, we need to build unanimity that every economic offence should not be ending up in jail. Yes, there are people who defraud banks or other things. But that is not the issue here. Those are different kinds of matters. This GST, as Mr. Misra rightly pointed out, is going to lead to a lot of initial issues because of interpretation. Income Tax is a clearly-defined law and all other laws in this country are clearly defined. But the adjudicating authority do come up with various interpretations and then you are left to your fate because the adjudicating authority has taken a decision, and then you go and fight for your rights and fight for getting justice at whatever level you can. So, this is something which needs to be looked at. The infrastructure for such a massive exercise may be good in some States, but I still would be hesitant to acknowledge that every State of the country has got proper infrastructure for adjudicating all these issues. Therefore, I think, this needs

[Shri Praful Patel]

to be dealt with caution and, I think, the GST Council also needs to be apprised of these issues. There are so many slabs. Again, the slabs will come into interpretation. I think, what Sharad Yadavji meant, इन्होंने बिस्कुट वालों का जो उदाहरण दिया, वह उसी का आधार है कि अलग-अलग slabs हैं, अलग-अलग interpretations हैं और यह पता नहीं है कि किस पर क्या लगेगा। This also needs to be addressed as we move forward.

Then, one of the issues, which was mentioned even by me earlier, is the issue of compensation to the States and especially to the municipalities. We had mentioned at that time the case of Mumbai Municipal Corporation. The Mumbai Municipal Corporation, with a revenue bigger than most States, only for octroi, will have to be compensated on time. Otherwise, most municipalities and large corporations will find it difficult to meet the resources because ultimately the money has to flow from the States. We have different political alignments for municipalities and for the State Governments. That can also lead to all kinds of complications, which I hope the GST Council, in its wisdom, would have found solutions to, and, if not, I would urge that the Government — the Government has a large veto the way the GST Council has been structured and rightly so — must exercise its powers to ensure that the local bodies and others, and even the States, are compensated in a very judicious and a timely manner. This is very important, Sir.

Ultimately, Sir, the major chunk of the products like petroleum, electricity, tobacco and alcohol are anyway kept out of the whole purview of the GST at the moment. The States will decide. About tobacco and alcohol, one can understand, but why have you not included electricity in this? Now, we have 'one-nation-one-grid'. As we are talking of 'one-nation-one-tax', regarding electricity, you also have 'one-nation-one-grid'. Today, the flow of electricity is from one State to the other. The States are selling electricity to each other. So, I think, ultimately, it is a major item which needs to be resolved in the due course. It should not be left for five years, as the Council has decided for all these things. And, even petroleum for that matter should be resolved. As we go along, petroleum should also needs to be rationalized because all States have taken this as a easy cherry to pluck. They think it is a low-hanging fruit; take as much revenue as you can. Even in States like Maharashtra, where I come from, I see that petroleum products are taxed highest. We have refineries there, we have the ports there, but the petrol or diesel is cheaper in Delhi than in Mumbai and the cost difference is almost 8 to 10 rupees a litre, which is not small. So, we must look at all these aspects very genuinely because this will also affect the economic development of the country, and if we are looking at 'one-nation-one-tax' and an equitable growth in the country, I think, these issues have yet not been dealt with adequately by the GST Council.

So, without going into too much of other issues, the fact is that we have all come to a conclusion that yes, this is the best way forward. It is good for the country. So, we all support it. There is no doubt about it, but there will be initial difficulties. There will be initial inflationary pressures also because the taxation of some products is really going to go up steeply. For some other products, it may come down, but in the net effect, there is certainly going to be, at least, a two to two-and-a-half per cent increase in taxes across the board in the country. That will also have to be handled very carefully because these pressures should also not lead to loss of demand or consumption because that would ultimately affect economic activity in the country.

Having said so, Sir, in totality, I think this is a good Bill. We have all, in this House, dealt at length, in our previous discussions, on this issue. So, I don't want to go further on this issue except to say that these certain issues need to be handled, especially the arbitrariness of deciding the tax slabs which would be most important as we go forward, and different States have different infrastructures. The ability of officers in one State to deal with one set of issues will be different from that of officers in other States. So, I think, this is something where the Central Government especially will have to handhold the States and to make sure that GST becomes a success and the whole concept of 'one-nation-one-tax' finally becomes something which we can be proud of. Thank you, Sir, and I associate and support the Government.

MR. DEPUTY CHAIRMAN: Now, Yechuryji, as Mr. Rangarajan told me, you are in a hurry. So, I am calling you. Mr. Raja will be after that.

SHRI SITARAM YECHURY: Mr. Deputy Chairman, Sir, I thank you for giving me the opportunity to participate in this discussion.(Interruptions)...

श्री नरेश अग्रवाल (उत्तर प्रदेश): राजा पहले होना चाहिए, वे राजा हैं, ये प्रजा हैं।

श्री सीताराम येचुरी: यथा प्रजा तथा राजा। ...(व्यवधान)... उन्होंने उलटा कर दिया। ...(व्यवधान)... Sir, we have travelled a long way on this discussion on the GST. We went through the amendment to the Constitution which was a very, very big debate that we had here. I am not going to cover those areas. But, Sir, the fundamental problem with the GST, as was discussed when we were amending the Constitution, was that it concerns the federal structure of our Constitution.

Again, Sir, one has to recollect that Article 1 of our Constitution defines India, that is, Bharat, as a Union of States. The federal principle is one of the fundamental features of our Constitution, and, any regime that today takes any position that actually transgresses that federal principle of our Constitution is something that we have to be very, very cautious about. That is why, we had pleaded with the Government and

[श्री सीताराम येचुरी]

said, when you bring the GST Bill, do not bring it as a Money Bill; bring it as a Bill whereby we, the Council of States, because it concerns the federal structure of our Constitution, will also have its say, and, its wisdom will also be taken into account by the Government before it brings in any sort of legislation. For that reason, I am very, very dismayed at the outset that the Government refused to heed our request, our suggestion, and, insisted and brought this as a Money Bill. Sir, this is a specious argument that...

MR. DEPUTY CHAIRMAN: But tax bills...

SHRI SITARAM YECHURY: Sir, please.

MR. DEPUTY CHAIRMAN: Tax bills; that you have to consider.

SHRI SITARAM YECHURY: Sir, you did not follow the first part of what I was saying. You are presiding over the Council of States. Federalism is a fundamental feature of our Constitution. Any regime that incurs or restricts the federal structure of our Constitution is of concern to this House. As the Chair, you must protect that concern. Now, if that concern is going to be, in my opinion, trampled upon, I have a right to take that opinion...

MR. DEPUTY CHAIRMAN: Okay. No problem.

SHRI SITARAM YECHURY: It is from that point of view; it is not only a tax point of view. Sir, you are much more senior to me, and, you have also served as a Minister. Any Bill that is proposed in the Parliament has a financial statement at the end. Even if you want to add or subtract names from the Scheduled Caste List, even that Bill will have a financial statement. Will that be a Money Bill? So, do not extend the logic to very, very specious levels. Therefore, my first objection is that by doing so, you have robbed us of a right, about which I am seriously concerned with, apart from many other things. It is connected to a larger issue. My friend, Mr. Praful Patel, spoke just now. I think, he has gone to celebrate his birthday.

SHRI PRAFUL PATEL: I am here, I am listening to you from here.

SHRI SITARAM YECHURY: Oh, there you are. So, you are celebrating your birthday in the last row. Sir, he referred to 'one country, one grid'. ...*(Interruptions)*... Now, you have a situation where you are talking about 'one country, one tax'. ...*(Interruptions)*...

SHRI PRAFUL PATEL: Sir, it is not my birthday. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Is it really your birthday? ...*(Interruptions)*... In that case ...*(Interruptions)*...

SHRI PRAFUL PATEL: It is not, Sir. *...(Interruptions)...* But I am happy that they are celebrating it. *...(Interruptions)...*

MR. DEPUTY CHAIRMAN: You inform us when your birthday is. We will... *...(Interruptions)...*

SHRI PRAFUL PATEL: It has gone. *...(Interruptions)...*

MR. DEPUTY CHAIRMAN: So, it has gone *...(Interruptions)...*

THE LEADER OF THE HOUSE (SHRI ARUN JAITLEY): He is maintaining a distance from you.

SHRI SITARAM YECHURY: I know. *...(Interruptions)...* Not only is he maintaining a distance from me, as the Leader of the House said, but he is also maintaining a proximity to somebody else. *...(Interruptions)...* That is also very clear. *...(Interruptions)...*

MR. DEPUTY CHAIRMAN: Proximity to this side!

SHRI SITARAM YECHURY: Not at all; proximity to his neighbour right now, who is also a very good friend of mine. *...(Interruptions)...* That is a different matter. *...(Interruptions)...*

Sir, I have very, very serious concern about the whole concept of 'one nation, one tax'; 'one nation, one grid'. This is what my friend, Praful Patel, talked about. Now, we have 'one nation, one election'; 'one nation, one language'; 'one nation, one religion'; 'one nation, one culture'. Sir, is that the federalism that we are talking of? *...(Interruptions)...*

SHRI T. K. RANGARAJAN: 'One nation, one food'. *...(Interruptions)...*

SHRI SITARAM YECHURY: 'One nation, one food'. Please understand that in India we have multiple identities. *...(Interruptions)...*

SHRI ARUN JAITLEY: You forgot one thing. In communist countries, they have 'one nation, one political party'. *...(Interruptions)...*

SHRI SITARAM YECHURY: No, no. Listen to me. *...(Interruptions)...* But, in that political party, unlike yours, Mr. Jaitley, there are always differences of opinion; and we don't go by one leader and again, 'one nation-one leader'. Sir, these are very ominous developments, in the background of which the GST Bill has come. Therefore, I want this caution to be exercised. That is why I am saying anything of this nature which restricts the revenues or the powers of the States is something that concerns this House, the Council of States, and, therefore, that cannot be approved by any other body than our concern and our consideration. So, if the GST Council

[Shri Sitaram Yechury]

takes a decision, if we think in our wisdom that that is something that is affecting the powers of the States or the rights of the States according to our Constitution, it has to come for Parliamentary approval. And that is something which is a very serious lacuna in this Bill, which has to be corrected. Without Parliamentary approval, leaving it to some other body, is a very serious matter. And what is this body, Sir? No decision in the GST Council can be taken without the concurrence of the Central Government. You are required to take a decision with three-fourths of the majority, and the Central Government holds onethird of the votes. So, it is clear. No decision can be taken without the concurrence of the Central Government. So, what are the rights of the States you are talking of, Sir? Are you realizing the gravity of this issue? And this is something which we cannot allow to happen where the rights of the States cannot be protected and we, as the Council of States, declare ourselves impotent. I cannot be a party to declaration of such impotence. And I think any of such decisions which have an impact on the federal principles of our Constitution on the question of sharing of these resources will have to come for Parliamentary consideration and approval. That is a major requirement that needs to be made here.

Secondly, Sir, if you have a GST Council, what about accounting? We have heard it in the papers. I think proper incorporation must be done in the legislation that the accounting, the auditing, of that would be done by the Comptroller and Auditor General of India. The C&AG must be the one that will be the competent auditor for this GST Council and all the things connected with it, and not any private agency. That is the second point I would like to mention.

The third thing, Sir, is that whatever rights of the States are, as I said earlier, they have no independent power for indirect taxes except for, I think, alcohol and petrol. Am I right? So, no other access if they have to raise their resources. Remember our own history, Sir. Your own State, Kerala. How you developed the Human Development Indices to such high levels as to meet the standards of Western Europe? What were the expenditures that you incurred there on the basis of resource mobilization that you have done there? Take the State of Tamil Nadu. When they introduced the Mid Day Meal Scheme, when the literacy jumped dramatically from 56 per cent to 83 per cent, that was done through imposition of certain indirect taxes in the States so that resources could be collected by the then MGR Government. Now, all that is gone. So, what is the autonomy that the States are left with? Yes, you will have a State GST; some mercy. That was done when we amended the Constitution. Therefore, this entire principle of the federal structure, I am beseeching this House not to ignore this aspect. This will have to be taken care of and the GST Council decisions will have to come for our consideration and approval.

The next thing is the clear understanding that 'one nation, one tax', an indirect tax. An indirect tax, by definition, is a burden on the consumer. A direct tax is a burden on the rich, the earner, and the trend in our country has been to reduce direct taxes and to increase indirect taxes. A higher level of indirect tax means greater burden on the consumer. And, inevitably, it has happened in all the countries which introduced the GST, that immediately there is an inflationary spiral. If you want to contain this thing, the consideration of the tax structure is extremely important. And that has to be done properly. Now we have the revenue neutral rates between 12 per cent and 24 per cent. The Economic Adviser, Mr. Arvind Subramanian, put them between 12 per cent and 18 per cent. What I would argue is this. Last time when we were discussing the Constitution Amendment Bill, Mr. Chidambaram said we should peg it at 18 per cent. I presume he was arguing from the point of view of the consumer at that point in time. But what I would like to argue is that we should have a four-tier rate structure instead of a two-tier rate structure. That is something the Parliament would have to recommend to the Government to consider in the GST Council. That you will have a range of 35 per cent-40 per cent for luxury products and the low rate must be between 4 per cent and 6 per cent for products like edible oil, sugar, etc. The intermediate rates would be from 12 per cent-14 per cent and 18 per cent-20 per cent for the majority of the consumables. This is something which will have to be done in order to ensure that luxury goods do not get tax exemptions. If they get tax exemptions, their prices will fall while the prices of essential goods will rise and that would be imposing a greater burden on the people. So, we will have to be ensured on the consideration of a four-tier rate structure.

The other thing is the Centre-State financial relations. You have the Central GST, the Integrated GST and the State GST. Greater flexibility will have to be given for the State GST. I don't think this will interfere with a larger GST regime. This can be done to correct the imbalances that are there between the Centre and the States as far as the revenue distribution is concerned. I would like the Leader of the House and Finance Minister to consider a 20 per cent intermediate rate that can be translated into a 12 per cent State GST rate and an 8 per cent Central GST rate. That will give the States a greater avenue and a greater leeway for mobilisation of resources. I notice a smile on the face of the Leader of the House. So, I hope he will consider this seriously. Whoever is in power in the State Government, I think such things are necessary to protect our federal structure. Whatever little autonomy the States need should be given to them.

All tax exemptions and tax concessions are going to be removed. Sir, you come from a State, which has a lot of traditional products, where we also have a

[Shri Sitaram Yechury]

certain interest. If you don't have tax concessions or exemptions, how will you, say, promote or encourage or protect the handlooms, the khadi products, the coir products and the traditional crops? The general understanding now is that you do it through the budgetary support. What budgetary support can you give for the production of pepper in Kerala except a tax exemption or a tax concession? What is the budgetary support that you will give for your coir industry in Kerala? This is a serious problem that is going to emerge from the producers of these traditional products. With the introduction of new regime, this protection will be removed. Because any turnover beyond ₹ 20 lakh is part of your tax net now. At least that limit will have to be raised in order to allow concessions for such traditional producers. Turnover of ₹ 20 lakh is too little to protect any of the traditional producers that you have in a State like Kerala. This is something that needs to be seriously taken up by the Government.

Sir, a dispute has been going on for the last two years on who should collect the tax directly for a turnover of ₹ 1.5 core or below. The States have so far been doing it. But, now with GST, that right of the State Government, I think, doesn't exist any further. So, this is a matter of serious concern which is going to affect the interests of the States. Therefore, looking into all these considerations – I am just summing up – I would say that one, Parliament cannot be ignored and bypassed. The Council of States has a responsibility. Two, the auditing will be done by C&AG. Third, the rate structure should be four-tier and the entire question of protection for traditional produces must be ensured. In that sense, all the other issues that have to be dealt with can be worked out the moment the proposals of the GST Council also come for our consideration and our approval. Therefore, Sir, I am urging this thing. In the urge to go towards one nation of everything – 'one nation, one election'; 'one nation, one tax'; 'one nation, etc. etc.' – let us not forget that the essence of our Constitution is our federal structure. It is one of the essences. So, keep that in mind. Keeping that in mind, we have moved certain amendments. When the time for amendments comes, then, of course, I will take them up. But, we want the House to seriously consider the amendments that we have moved and understand the merits of the points that are being made here. Thank you very much, Sir.

MR. DEPUTY CHAIRMAN: Thank you very much, Shri Sitaram Yechury. Now, Shri Vijayasai Reddy; not here. Then, Shri D. Raja.

SHRI D. RAJA (Tamil Nadu): Thank you, Sir. I was a Member of the Select Committee which scrutinised the entire legislation. I did raise many issues during the work of the Select Committee. In fact, I had given a Dissent Note and it forms part of the Report. I reiterate those points once again when the Parliament is finally considering the GST Bills.

3.00 P.M.

Sir, there are two parts of the whole issue. One is the philosophy behind the GST Bill. The other one is about certain practical questions. I begin with practical questions. Collection of taxes is the primary exercise by any Government to mobilise resources and to generate revenue for nation-building and for building of economy. Sir, when we move towards GST regime, we should keep in mind that India is a country where we have tremendous unequal economic development and unequal regional development. How are we going to create a pan-Indian economic zone, a single market, in such a situation? That should be kept in mind. I don't think any political party or the Government is clear about the consequences. In fact, I said it. I repeat it. We are entering into a new terrain. The consequences are to be understood and are to be known. So, here, I stress one point, which has been stressed by my colleagues also. When the Government talks about cooperative federalism, I think it includes fiscal federalism and financial federalism. How is the Government going to ensure fiscal federalism? There are certain issues. In the GST Council, the Centre has more weightage. It is one-third. This question was discussed in the Select Committee. We argued. But, finally, the Government sticks to its position. This is going to be a real problem, a challenge. It can adversely impact the financial powers of the State Governments because the States should have financial autonomy, to an extent, in a country like ours.

There is always a demand for devolution of powers. When we say devolution of powers or decentralization of powers, it means the financial powers also. The State must have financial autonomy to an extent in a federal structure, as we have today. This GST regime can adversely impact that financial autonomy of State Governments. For instance, I was given a memorandum by trade unions. In the context of GST Bill in the Parliament, the trade unions are demanding that building and other construction workers' welfare cess and *beedi* workers' welfare cess must be protected and given exemptions. Welfare levies collected from Construction and Automobile Workers Welfare Association and the Tamil Nadu Manual Workers Act must be protected. Who can assure them? This is a demand from several trade unions. This concerns millions of workforce, millions of workers. When we move towards GST regime, who is going to ensure all these things? That is why, I am asking the Central Government: How are you going to assure the State Governments to protect their interests?

Then, again, Sir, what is the protection to MSME products? What is the protection to agro-based products? What is the protection to the farmers, promotion of farmers and their products? This needs to be understood. India is not just a small country or a simple country. It is a vast country with tremendous diversities and difficulties.

[Shri D. Raja]

How are you going to address that when you move towards GST regime? Here, I express my doubt. I did in the past also. The corporates can take advantage. They want free flow of goods, free flow of services. They want to be assured of their profit and everything. But can we protect the interests of the people? It was discussed in the Select Committee. What would be its impact on prices? What would be its impact on inflation? Nobody could answer that. Even now, we cannot answer what would be the impact on prices and inflation. Will the people, at large, the consumers, benefit out of it? That is also a big problem. Here comes the other question. I fight with Mr. Subramanian Swamy on many issues but I tend to agree with him on one issue, that is, GST Network. It was discussed. Why can you not involve public sector banks? Now, the State Bank of India is emerging as the single largest Central Bank in the country. But you are involving IDBI and other private sector banks. Now, it has come out in the public domain, that is there, that the CAG will not have access to the database. How are you going to address this question? Some private agencies will have your data and they will not be in the public domain. The CAG cannot have access. This is a very serious issue. Mr. Subramanian Swamy from your side raised that issue. What is the response of the Government? We will have to think over these things. These are some of the real issues that we will have to face at this point of time. After all, it is Parliament. We pass the legislations. Tomorrow, Parliament will be held responsible for all consequences. People will ask the Parliament. This Parliament, when it passes such a legislation, a serious legislation, which has got far-reaching implications on the future, we should be very cautious. We should tread cautiously before finally disposing of this legislation.

Sir, here, I would like to touch upon certain philosophical issues which BJP's spokesperson, Shri Bhupender Yadav, touched. He tried to give a philosophical background for GST. He said that the cultural ethos of India will not allow for some kind of socialistic pattern of society or economic development. I wonder what is the cultural ethos he understands. He was referring to Swami Vivekananda. I would really want him to read what Swami Vivekananda spoke about Buddha. The Buddhist philosophy is the Indian cultural ethos, if you ask me. Buddhism believes in compassion and concern for fellow citizens. ...(*Interruptions*)... I can quote Dr. Ambedkar when he spoke in a Conference in Colombo, he did say, "Buddhism stood for democracy and socialistic pattern of society." That is a different thing. Why Dr. Ambedkar compared Buddha and Karl Marx! If Karl Marx said, "Exploitation is the root cause of the miseries of the people", Buddha said, '*Dukkha*'. Marx used the term 'exploitation' while Buddha used the term, '*Dukkha*'. Why Ambedkar had to compare Buddha and Marx, let us try to understand. It should not become poverty

of philosophy. We should discuss philosophy as philosophy. If we talk of Indian ethos, it is the Buddhist philosophy which lays the foundation for the Indian cultural ethos; it is the Buddhist philosophy which talked about compassion, consent for fellow citizens. Do you believe in that? That is what I am asking. You can try to appropriate Dr. Ambedkar. I don't mind. You appropriate what Dr. Ambedkar said, but try to follow Ambedkar's legacy. Try to follow the ideals of Dr. Ambedkar. Dr. Ambedkar said many things. When the matter of cow protection comes, Dr. Subramanian Swamy says, "It is part of the Constitution." Yes, there are many other things which are part of the Constitution. Let them read the Directive Principles as to what Dr. Ambedkar had said in the Directive Principles. So, why am I referring to all these things is because when we move to GST finally, then, it is people who are going to pay taxes mainly the indirect tax. The other day Shri Chidambaram was referring that the indirect taxes continue to increase and it is going to be a burden on the common people. Today, also, who takes the burden- it is the common people. It is really the toiling people who pay taxes and who honestly conduct themselves. But, who evades taxes; who cheats the Government; who deceives the Government? We are not talking seriously, honestly, on those defaulters, on those cheaters of the country and of the people. We should not question the honesty of our people. Our people are honest and hard working people. They build the wealth and they build the nation and they pay taxes. So, when we move towards a common tax system, how are you going to address certain complex issues which, as a nation, we have got? It is a diverse country and a reference to Tamil Nadu was made. Tamil Nadu has got the largest number of welfare schemes. How are you going to allow the Government to continue with those welfare schemes, social security schemes for the people if you move towards this Common Tax System? Then, the other question is about the Finance Commission. What is the Finance Commission going to do? Now, it is about the Central tax collection. Earlier, there was a demand to give 50 per cent to States and 50 per cent with the Centre. *...(Time Bell rings)...* The Finance Commission gave a different formula and now the GST will give another formula. So, there are a whole lot of complex problems and the Centre will have to tread consciously. The Centre should take all the State Governments into confidence. *...(Interruptions)...* The Centre should take Parliament into confidence. The Centre cannot conduct itself as a totalitarian regime. It is after all democracy. Have respect for democracy; have respect for multi-party democracy, parliamentary democracy and Parliament should be taken into confidence. Accordingly, the Government will have to move. Thank you, Sir.

MR. DEPUTY CHAIRMAN: Now, Shri P. Chidambaram. *...(Interruptions)...* Okay, now, Shri Narayan Lal Panchariya.

श्री नारायण लाल पंचारिया (राजस्थान): उपसभापति महोदय, मुझे बहुत ही प्रसन्नता हो रही है कि पिछले दो दिन से जीएसटी जैसे महत्वपूर्ण विधेयक पर सदन में बहुत ही सारगर्भित और सकारात्मक चर्चा हो रही है। हम सभी जानते हैं कि इस देश में कर व्यवस्था लागू हुई और उसमें कुछ मूलभूत परिवर्तन हुए। आज देश में दो तरह के कर, प्रत्यक्ष और अप्रत्यक्ष कर, लिए जाते हैं। किसी भी लोकतांत्रिक देश के लिए आवश्यक है कि आम जनता को करों के बोझ से मुक्ति मिले, मुद्रास्फीति नियंत्रित हो तथा जन कल्याणकारी विकास कार्यों हेतु राजकोष में पर्याप्त धन का आगमन हो। मेरी राय में जीएसटी इस दिशा में निश्चित रूप से एक प्रगतिशील कदम है।

महोदय, हम सभी जानते हैं कि जीएसटी की बुनियाद आदरणीय अटल बिहारी वाजपेयी जी के प्रधानमंत्रित्व काल में रखी गई थी। आजादी के इतने वर्षों बाद देश में एक कर-प्रणाली लागू हो, ऐसा निर्णय अटल बिहारी वाजपेयी जी की हमारी सरकार ने लिया था। साल 2004 में यूपीए की सरकार बन गई और उधर विराजमान मेरे साथी इस तरफ आ गए, निश्चित तौर पर उन्होंने भी जीएसटी के कार्य को आगे बढ़ाने का काम किया, लेकिन उसमें पूर्णता हासिल नहीं की, उन्हें सफलता नहीं मिली, क्योंकि जीएसटी के बारे में न तो उनकी कोई स्पष्ट नीति थी और न ही वे सब को साथ लेकर बाधाओं से संघर्ष करके कोई रास्ता आगे बढ़ने का निकाल पाए।

[उपसभाध्यक्ष (डा. सत्यनारायण जटिया) पीठासीन हुए]

महोदय, मैं आपके माध्यम से धन्यवाद देना चाहूंगा हमारे प्रधान मंत्री आदरणीय नरेंद्र भाई मोदी जी को और वित्त मंत्री आदरणीय अरुण जेटली जी सहित उनकी पूरी टीम को, जिन्होंने परिश्रम की पराकाष्ठा और बाधाओं की छाती पर पांव रखकर जीएसटी को पूर्णता की ओर लाने का काम किया और लोक सभा में इसे पारित करवाया।

महोदय, देश को आजाद हुए सत्तर वर्ष हो गए और आज तक देश में अंग्रेजों के समय की कर-प्रणाली चल रही है, यानि आज तक आर्थिक रूप से देश गुलाम रहा। हम सभी, पूरे सदन के सांसद बड़े ही सौभाग्यशाली हैं और सौभाग्यशाली इस बात के लिए हैं कि अंग्रेजों की कर-प्रणाली से मुक्ति दिलाने का कार्य आज हम सभी मिलकर पूर्ण करने जा रहे हैं। अब भारतवर्ष अंग्रेजों की कर-प्रणाली से नहीं चलेगा। अब इस देश में कर-प्रणाली, आचार्य चाणक्य की स्वदेशी प्रणाली जीएसटी के रूप में इस देश में चलेगी। चाणक्य का नाम लेते ही एक संस्मरण मेरे मस्तिष्क में आया है, जो मैं आपकी अनुमति से शेयर करना चाहूंगा। एक बार की घटना है, सम्राट चंद्रगुप्त और आचार्य चाणक्य के बीच एक बात को लेकर बड़ा भारी विमत हो गया। वह बात यह थी कि चंद्रगुप्त चाह रहे थे कि टैक्स बढ़े और आचार्य चाणक्य जी चाहते थे कि नहीं, टैक्स नहीं बढ़ना चाहिए। उस समय आचार्य जी ने चंद्रगुप्त से पूछा कि आप टैक्स क्यों बढ़ाना चाहते हैं? चंद्रगुप्त का साफ जवाब था कि टैक्स बढ़ेगा, तो राजस्व की आमदनी होगी, जिससे मैं जनता के विकास के काम करूंगा और इससे जनसेवा भी अच्छी तरह से कर पाऊंगा। आचार्य चाणक्य जी ने स्पष्ट शब्दों में उस समय कहा था कि टैक्स बढ़ाने से राजस्व नहीं बढ़ेगा, राजस्व निश्चित तौर से घटेगा। अगर कुछ बढ़ेगा, तो मात्र भ्रष्टाचार बढ़ेगा। चंद्रगुप्त ने बात मान ली। एक वर्ष के बाद जब राजस्व की समीक्षा की गई, तो यह बताया गया है, यह इतिहास में लिखा है कि उस समय राजस्व 400 गुणा बढ़ गया।

सर, हमारे देश में अंग्रेजों की कर प्रणाली के चलते धन की परिभाषा ही बदल गई। अब

धन काला धन हो गया, हमारा कुछ धन सफेद धन हो गया। यह बात सही है कि काले धन की जननी भ्रष्टाचार है। अभी हमारे देश में विभिन्न प्रकार के टैक्स के लिए अलग-अलग स्थानों पर अलग-अलग विभागों की बहुत बड़ी फौज द्वारा देश और पूरे प्रदेशों में कर संग्रह का कार्य चल रहा है। हमें यह भी पता है कि जब हम हाईवे पर चलते हैं, तो जैसे ही एक स्टेट की सीमा खत्म हुई और हम दूसरे स्टेट में प्रवेश करते हैं, तो वहां पर बड़ी-बड़ी चेक पोस्ट्स लगी रहती हैं, कर संग्रह के ऑफिस बने रहते हैं। और तो और, हम यहां तक देखते हैं कि दोनों तरफ ट्रकों की बहुत बड़ी लाइन लगी रहती है। आपने और हम सबने बॉर्डर पर ऐसा दृश्य देखा है। चेक पोस्ट्स पर चपरासी से लेकर सबसे बड़े इंस्पेक्टर और जो अधिकारी हैं, उन सबको अभी तक पोस्टिंग पाने के लिए भी कई तरह के रास्ते अपनाने पड़ते रहे हैं। मैं तो यहां तक कहूंगा कि ये चेक पोस्ट्स भ्रष्टाचार रूपी राक्षस का जन्म स्थल बन चुकी हैं। सर, GST लागू होने से इन सभी स्थानों पर पैदा होने वाला भ्रष्टाचार समाप्त होगा और काले धन पर रोक लगेगी। मुझे पूरा विश्वास है कि सभी के सहयोग से GST लागू होने के पश्चात् जनता स्वयं इतना राजस्व देगी कि भारत सरकार और राज्य सरकार का सालाना राजस्व कई गुणा ज्यादा बढ़ जाएगा। और तो और, धन की परिभाषा से काले और सफेद धन की समाप्ति होगी और धन केवल धन ही रहेगा।

सर, कर संग्रह में भ्रष्टाचार न हो, इसके लिए हमारे वित्त मंत्री, आदरणीय अरुण जेटली जी ने बहुत ही अच्छा निर्णय किया है। उन्होंने GST के अन्दर एक प्रावधान किया है। GST के अन्दर शामिल सभी चीजें, चाहे वह registration हो, चाहे tax payment हो, चाहे return file करना हो, चाहे input tax credit लेना हो, उन्होंने सारे का सारा सिस्टम online करने की व्यवस्था कर रखी है। इससे व्यापारियों को जगह-जगह पर ऑफिसों के चक्कर नहीं लगाने पड़ेंगे। अभी देश में सत्यता यह है कि ऑफिसों में जब लोग टैक्स का भुगतान करने जाते हैं, तो ऊपर का भुगतान और नीचे का भुगतान, इस तरह की बातें आम चर्चा का विषय होती हैं और इस देश के अन्दर इस तरह की चीजें चल रही हैं। मैं सोचता हूँ कि GST लागू होने के बाद कर संग्रह में पारदर्शिता आएगी, सभी कार्य निश्चित रूप से समय-सीमा के अन्दर पूर्ण होंगे और सरकारों का राजकोष भी निश्चित ही बढ़ने वाला है।

सर, मेरे एक साथी ने एक शंका व्यक्त की। उन्होंने कहा कि GST के आने के बाद देश में महंगाई बढ़ जाएगी। मैं बताना चाहूंगा कि अगर वे किसी राजनीतिक कारण से ऐसा बोल रहे हैं, तो इस पर मुझे कोई आपत्ति नहीं, लेकिन GST एक ऐसा विषय है, जिससे गाँव, गरीब और किसान को, चाहे वह दलित हो, चाहे युवा हो, सबको इससे बहुत बड़ा लाभ मिलने वाला है। इसलिए मैं सोचता हूँ कि सत्यता को स्वीकार कर लेना ही अच्छा रहेगा। इससे महंगाई बढ़ेगी नहीं, बल्कि महंगाई कम होगी, क्योंकि GST में आवश्यक चीजों को, food items को जीरो प्रतिशत slab के अन्दर रखा गया है। इसके साथ ही हमारे वित्त मंत्री जी ने पूर्णतया यह आश्वासन भी दिया है कि सरकार GST लागू होने के पश्चात् महंगाई पर पूर्णतया नजर रखेगी, साथ ही GST Council भी यह देखेगी कि आवश्यक वस्तुओं के दाम बढ़ने नहीं चाहिए। सर, हम सबका मत यही रहा है और रहेगा कि एक भारत हो और श्रेष्ठ भारत हो। देश की एकता और अखंडता का सपना हम सभी का है।

सर, जीएसटी लागू होने से पूरे देश में एक समान राष्ट्रीय बाजार उपलब्ध हो जाएगा और साथ ही स्थानीय निकायों का वित्तीय सशक्तिकरण भी होगा। जीएसटी, टीम भारत द्वारा लिया

[श्री नारायण लाल पंचारिया]

गया एक पारदर्शी एवं परिवर्तनशाली कदम है। इसमें छोटे उत्पादकों को और छोटे व्यापारियों को सुरक्षा की गारंटी भी दी गई है।

सर, भारत में अभी कर अनुपात का स्तर काफी नीचे है। जीएसटी लागू होने से कर वसूली भी बढ़ेगी और कर के ऊपर कर लगने की जो प्रथा है, वह भी पूर्णतया समाप्त हो जाएगी। इससे बहुत बड़ी सुविधा होने वाली है। हमारे यहां ऐसे बहुत से राज्य हैं, जो आर्थिक रूप से पिछड़े हुए हैं, वहां भी इससे राजस्व की वृद्धि होने वाली है।

सर, हमारी जीएसटी, दुनिया में सबसे सरल प्रणाली होगी। इसमें व्यवस्था संचालन की लागत कम होगी, जिससे बचत बढ़ेगी और उस बचत से विकास के कार्य, जनकल्याण के कार्य किए जा सकेंगे। अभी हमें जीएसटी के सुखद परिणामों के बारे में पता नहीं है, लेकिन आने वाले समय में हमें इसके बहुत बड़े और सुखद परिणाम मिलने लगेंगे। भ्रष्टाचार से मुक्ति मिलने के साथ ही इससे काले धन पर भी रोक लगेगी, साथ ही जीएसटी देश के निर्यात को भी बढ़ाएगी। अगर हम विश्व के स्तर पर देखें, तो अभी हमारे देश की आर्थिक स्थिति बहुत ही कमजोर है। जीएसटी लागू होने के पश्चात् निश्चित ही हम भी उन विकसित देशों के साथ पहुंच जाएंगे, जो तीसरे, चौथे और पांचवें नम्बर पर हैं। सर, जीएसटी से बहुत बड़ा लाभ मिला है। मैं आदरणीय अरुण जेटली जी को इस बात के लिए धन्यवाद दूंगा कि उन्होंने इसमें किसानों का खयाल किया है। क्लॉज 23 में यह स्पष्ट प्रावधान कर दिया गया है कि किसानों की आय चाहे कितनी भी क्यों न हो, वे जीएसटी रिजस्ट्रेशन से मुक्त रहेंगे। किसानों को जीएसटी से मुक्त रखा गया है।

सर, मैं प्रधान मंत्री श्री नरेंद्र मोदी जी की हिम्मत और हौसले को नमन करना चाहूंगा कि आर्थिक मोर्चे पर उन्होंने कठोर व सुधारात्मक निर्णय लिए हैं। जहां तक मुझे ज्ञात है, जीएसटी परिषद, देश का पहला संघीय संस्थान है, जो सर्वसम्मति से गठित किया गया है। हमारे वित्त मंत्री, श्री अरुण जेटली जी के कुशल नेतृत्व और सभी दलों के नेताओं के सकारात्मक सहयोग से ही यह असम्भव सा लगने वाला कार्य सम्भव होता नज़र आ रहा है।

सर, अंत में एक बात और कह कर मैं अपनी बात को समाप्त करूंगा। जुलाई, 2017 में हमारे देश में नई अप्रत्यक्ष कर प्रणाली व्यवस्था लागू होने वाली है, जो, मैं समझता हूं कि व्यापारियों, उपभोक्ताओं और सरकार, तीनों के लिए बहुत लाभकारी व्यवस्था होगी। इससे व्यापारियों को एक सरल, पारदर्शी और भ्रष्टाचार मुक्त व्यवस्था मिलने वाली है।

जहां तक उपभोक्ताओं का प्रश्न है, इससे उपभोक्ताओं के ऊपर से अप्रत्यक्ष कर का बोझ घटेगा, जिससे आवश्यक वस्तुओं के दाम कम होंगे, साथ ही महंगाई भी कम होगी। इसके बेहतर अनुपालन से सरकार के राजस्व में वृद्धि होगी और देश का विकास भी होगा।

श्रीमन्, मुझे पूरी आशा है कि इस ऐतिहासिक और लोकतांत्रिक विषय पर सभी सहयोगी दल सहयोग देंगे और सम्पूर्ण सदन इस बिल को एकमत से पारित करेगा। इसी के साथ इस बिल का समर्थन करते हुए मैं अपनी बात समाप्त करता हूं, धन्यवाद।

THE VICE-CHAIRMAN (DR. SATYANARAYAN JATIYA): Thank you. Now, Shri Vijayasai Reddy.

SHRI V. VIJAYASAI REDDY (Andhra Pradesh): Sir, how many minutes would you allow me?

उपसभाध्यक्ष (डा. सत्यनारायण जटिया): दस मिनट।

SHRI V. VIJAYASAI REDDY: Hon. Vice-Chairman, Sir, thank you very much for the opportunity that you have given me. On behalf of the YSR Congress Party and its President, Shri Y.S. Jaganmohan Reddygaru, I thank you.

Sir, I would address just three issues here because of the paucity of time, which my Party considers very important, so far as GST is concerned. The first issue is multiple tax rates. The GST Council has recommended a four tier GST structure, of five per cent, 12 per cent, 18 per cent and 28 per cent.

In fact, if we go back to the history, in December, 2015, the Expert Committee that had been constituted on Revenue Neutrality Rate on GST had suggested three different structures for GST. While giving the recommendations, the Committee noted that 90 per cent of the countries which have adopted the GST have opted only for a single rate structure. However, the GST Council has recommended four-tier tax structure. Further, the Thirteenth Finance Commission in 2009 has recommended that GST should be levied at a single rate of 12 per cent. Sir, there is no problem with the multiple tax structure. But, there is only one difficulty which I request the Government of India to take cognizance of. The difficulty in having the multiple tax rates is with regard to the classification of goods. While classifying the goods, I am afraid, there will be an intense lobbying from various industries to accommodate them at the lower tax structure. This is going to be a genuine difficulty which the Government of India would be facing. For example, in Kerala, the coconut oil is taxed at five per cent whereas in Uttar Pradesh, it is taxed at 12.5 per cent. How are we going to classify these? Do we intend to bring them under five per cent or 12 per cent? In the light of the fact that there are different tax structures, the difficulty is on how to accommodate and classify each of the products into a slot of different tax slabs.

The next point which I would like to bring to the notice of the hon. Finance Minister is the cascading effect. Under Clause 9(2) of Central GST or CGST, on four products—crude oil, diesel, petrol and aviation turbine fuel—though the GST is applicable not with immediate effect but it will be with effect from the date that will be announced in the future. This is what Clause 9(2) of Central GST says. All products other than these four—crude oil, diesel, petrol and aviation turbine fuel—kerosene, naphtha and all other petroleum products and petrochemical products, are covered under the GST with effect from the date that is after the passage of this

[Shri V. Vijayasai Reddy]

Bill by both Houses of Parliament. Here is the difficulty. Currently, the petroleum refineries are allowed to avail the input credit against the Central taxes—Central Excise Duty and Service Tax. The petroleum companies, on an average, claim about 59.48 per cent, according to the figures available from the Ministry of Petroleum itself. The input tax credit that is being availed by the petroleum companies as of today is only 59.48 per cent. The question that arises is: What will happen to the remaining 40 per cent? The 40 per cent which can't be availed of now is treated as a stranded cost. That is the input tax benefit which is not being utilized by the petroleum companies. This is the position right now. According to a report by the National Institute of Public Finance and Policy, keeping the petroleum products out of the purview of the GST will lead to cascading of taxes worth ₹ 1.99 lakh crore. This is what they have estimated. In fact, I have made a brief working as to what will be the cascading effect and how to calculate it. According to the formula that is available, the cascading effect can be calculated like this: Total tax incidence minus direct tax incidence divided by final demand of the sector is equivalent to the degree of the cascading of taxes. In fact, when we worked out, the degree of the cascading of taxes in respect of various sectors, for example, in the case of metallic minerals, it is 1.4. It means 1 is to 1.4 is the cascading effect. Right now the cost of one rupee of metallic minerals after introduction of GST, will be one rupee forty paise. For every one rupee, incremental effect of the cost would be 1.4 hereinafter the GST comes into force. In respect of textiles, it is 1 is to 2.9. It means for every one rupee, the increase would be another 1.9. It means 2.9. But for petroleum products, the increase is really significant, the cascading effect is really significant. It is 8.7 which is very high. It will have a tremendous impact on the petroleum products. Sir, in the case of machinery and machinery tools, it is 2.6. When I refer to 2.6, it is 1 is to 2.6. So, it will be 2.6 times. Sir, this is my last point. I will not take much time. The third point which I would like to bring to your notice is about Anti-Profiteering Committee. Sir, the objective of the Anti-Profiteering Committee is this. At every stage, when the GST is levied, it is only levied on the value addition. The objective of Anti-Profiteering Committee is to ensure that the taxes are levied only on value addition and when it comes to the end use, the seller of the product will charge the GST only on the value addition at the end, value addition at the last stage. Therefore, what will happen if the seller, who finally sells the product, even though he avails the input tax credit, charges the full GST? What will be the impact of that? The impact of that would be that there would be some manufacturers, there could be some traders who have got the intention of jacking up their profits by making more money. They may charge this full GST even though they avail the input tax credit. They will claim in the books of accounts as if they have not

utilized this input tax rate credit and thereby the profits of the company would go up. Ultimately, what is the objective of the GST? The objective of the GST is that the benefits under GST would be passed on to the consumer. This is the objective. Why this Anti-Profiteering Committee is constituted is only for this reason, to ensure that the benefits are being passed on to the end user. But, Sir, in reality, what is happening is this. Sir, in Malaysia in 2015, when it was introduced, even there also, Anti-Profiteering Committee was constituted. But, in reality, what happened was that there was multiple-litigation and there were some administrative difficulties to implement the Anti-Profiteering Committee. Therefore, it has been abandoned. So, my point here is this. My humble submission to the hon. Finance Minister is that the guidelines for this Committee should be carefully drafted, guidelines should be carefully framed and the powers that are vested with the Committee should not be misused and the Committee should perform its duties for which it is constituted. I am thankful to you, Sir, for the opportunity you have given me.

THE VICE-CHAIRMAN (DR. SATYANARAYAN JATIYA): Dr. Subhash Chandra.

SHRI DEREK O' BRIEN: It is his maiden speech. ...*(Interruptions)*...

DR. SUBHASH CHANDRA (Haryana): Yes, Sir. ... *(Interruptions)*... If you don't mind. ...*(Interruptions)*...

SHRI DEREK O' BRIEN: It is being televised. ...*(Interruptions)*...

DR. SUBHASH CHANDRA: Is it being televised? You know more than me, I think. ...*(Interruptions)*... I thank you, Sir, for giving me the opportunity to speak. First of all, I think, I would congratulate the Government, the Prime Minister and the Finance Minister who have brought this historic Bill. मैं खास करके वित्त मंत्री जी को बधाई देना चाहूंगा कि उन्होंने अपनी मेहनत से इस बिल को राजनीति की बिल नहीं चढ़ने दिया और उसे इस क्रियान्वयन की स्थिति पर ले आए। मैं सभी राज्यों को भी बधाई देना चाहूंगा, जिन्होंने इसमें cooperate किया है।

उपसभाध्यक्ष महोदय, मैं कल से इस debate को सुन रहा था, तब treasury benches credit अपने ऊपर ले रही थीं और opposition parties स्वाभाविक रूप से उसका विरोध कर रही थीं, फिर भी grudgingly विपक्ष ने यह जरूर माना कि यह एक unique experiment है जो GST Council के through हुआ है। इतना उन्होंने जरूर माना। उसके लिए मैं विपक्ष का आभारी हूँ।

महोदय, जब से मैं इस सदन में आया हूँ, पहली बार बोल रहा हूँ और इन दो दिनों में GST Bill पर मैंने अनेक सदस्यों द्वारा कही गई बहुत सी बातें सुनीं। सभी ने इस प्रकार की बातें कहीं कि गरीब आदमी का भला हो, आम आदमी की बात हो, tax पैसे वालों पर लगे, इत्यादि-इत्यादि। ये बातें हम लोग, यदि मैं अपनी बात कहूँ तो 50 वर्षों से, और यह देश पिछले 70 वर्षों से सुनता आ रहा है। इन 70 वर्षों में इस देश की economy के साथ क्या हुआ, इस देश के साथ क्या हुआ, इस बारे में मैं कुछ आंकड़े इस सदन में पेश करना चाहूंगा।

[Dr. Subhash Chandra]

महोदय, 2,000 वर्ष पहले, जब से यह सदी शुरू हुई, जिसकी recorded history हमारे पास है, तब Global GDP में हमारी भागीदारी 32 थी, जो वर्ष 1950 में, आजादी मिलने के समय 4.2 प्रतिशत रह गई। उसी प्रकार से हमारी global उत्पादन की स्थिति हो या global trade की, अंग्रेजों के समय में, उस स्वर्णिम समय से घटकर, कम होती चली गई। वर्ष 1950 में हमारा manufacturing का हिस्सा पूरे विश्व के मुकाबले केवल 1.7 प्रतिशत रह गया। अंग्रेजों के समय में international trade में जो हमारी भागीदारी 20 प्रतिशत थी, वह घटकर 1.4 प्रतिशत रह गई।

महोदय, यह समझ में आता है कि अंग्रेजों का एक धर्म था, क्योंकि उन्हें इस देश पर लम्बे समय तक राज करना था और उन्हें इस देश की सम्पदा को यहां से अपने देश में ले जाना था। इसलिए उन्होंने हमारी उत्पादन की क्षमता खत्म की, हमारे ऊपर taxes का बोझ बढ़ाया, परन्तु मुझे आश्चर्य इस बात पर होता है कि स्वतंत्रता मिलने के बाद ऐसा क्या हुआ कि हमारा उत्पादन गिरता चला गया?

महोदय, मैं कुछ आंकड़े आगे जाकर सदन के सामने पेश करूंगा, लेकिन आजादी के समय जब पूरा देश इस प्रकार के गाने गा रहा था—

"छोड़ो कल की बातें, कल की बात पुरानी,
नए दौर में लिखेंगे, हम मिलकर नई कहानी,
हम हिन्दुस्तानी।"

महोदय, वह सब कहा गया? आंकड़े बताते हैं कि हमारी GDP जो वर्ष 1950 में 4.2 प्रतिशत थी, वह वर्ष 1980 में घटकर 3.2 प्रतिशत रही और वर्ष 2015 में बढ़कर 7.5 प्रतिशत से 8.00 प्रतिशत हुई है।

वर्ष 1950 में, हमारी manufacturing growth 1.7 प्रतिशत थी, जो 1980 में 2.3 प्रतिशत तक बढ़ी और 2015 में 4.00 प्रतिशत तक पहुंची। Global trade में जो हमारा हिस्सा 1950 में 1.3 प्रतिशत था, 1980 में वह घटकर 0.5 प्रतिशत, यानी एक प्रतिशत से भी कम, आधा प्रतिशत रह गया, जो अब वापस केवल 1.7 प्रतिशत तक आया है। इन आंकड़ों को अगर, जितनी हमारी आबादी 1950 से आज तक बढ़ी है, उससे तुलना करके देखें, तो 1950 से लेकर अब तक हमारे देश की growth negative रही है, न कि positive रही है। ये आंकड़े मेरे नहीं हैं, ..(व्यवधान)...

उपसभाध्यक्ष (डा. सत्यनारायण जटिया): आप अपना भाषण जारी रखें।

डा. सुभाष चंद्रा: ये आंकड़े Angus Maddison की studies से लिए गए हैं, जिन्हें देखा जा सकता है। मैं सदन से कहना चाहूंगा कि जिन आंकड़ों का जिक्र अभी कुछ माननीय सदस्यों ने किया, 2000 से लेकर 2015 तक, इस देश ने 2.23 Trillion Dollars, अर्थात् 154 लाख करोड़ रुपए की सम्पदा अर्जित की, अर्थात् 15 वर्षों में देश में 154 लाख करोड़ रुपए की wealth बढ़ी। अगर आप इसका बंटवारा देखें, तो एक प्रतिशत लोगों के पास 58 प्रतिशत उस सम्पदा का भाग गया, 9 प्रतिशत लोगों के पास उस सम्पदा का 23 प्रतिशत भाग गया और 90 प्रतिशत लोगों की केवल 19 प्रतिशत wealth बढ़ी। इससे साफ ज़ाहिर होता है कि देश का गरीब और गरीब होता गया, अमीर और अमीर होता गया। मेरे ख्याल से केवल 10 प्रतिशत लोग देश के कानूनों की वजह से और ज्यादा अमीर होते जा रहे हैं। जब हम सोचते हैं कि पैसे वालों पर tax लगाया

जाए, जिसकी कोई आवश्यकता नहीं है क्योंकि साथ-साथ बहुत सी उन्हें छूट भी मिलती हैं, tax avoidance के साधन भी मिल जाते हैं। इस कारण disproportionate रूप से चलने वाली जो growth है, मैं समझता हूँ कि आगे चलकर इसे ठीक करने की आवश्यकता है और GST इस दिशा में उठाया गया पहला कदम है। यह कोई आखिरी कदम नहीं है, ऐसा मेरा मानना है। यदि हमें इस देश से गरीबी कम करनी हो और सबको साथ लेकर चलना हो तो आगे आने वाले समय में ऐसे बहुत से कदम हमें उठाने पड़ेंगे।

कल कुछ माननीय सदस्यों ने स्वामी विवेकानन्द का जिक्र किया, जिस पर हमारे मित्र श्री डी. राजा ने objection भी किया, लेकिन मैं उस तरह की बात न करके, स्वर्गीय प्रधान मंत्री, श्रीमती इंदिरा गांधी की बात करना चाहूंगा, जो उन्होंने पूर्व प्रधान मंत्री, स्व. श्री राजीव गांधी जी से कहीं, जब वे पार्टी के General Secretary थे। उन्होंने इसका जिक्र 28 दिसम्बर, 1985 में कांग्रेस के 100 वर्ष पूरे होने के अवसर पर मुंबई में दिए अपने भाषण में किया था। उनका लगभग 100 मिनट से अधिक का भाषण था, परन्तु दुर्भाग्य से हमारे देश के media ने उस समय कुछ दूसरी headlines देकर इस मामले को आया-गया कर दिया कि Rajiv Gandhi speaks against the powerbrokers. लेकिन राजीव जी ने जो बातें उस समय कही थीं, अगर हम थोड़ा उन पर विचार करें, तो मैं समझता हूँ कि जो स्थिति आज है, देश में गरीब और गरीब होता जा रहा है, ऐसा न होता। मैं उनके कुछ excerpts को quote करता हूँ। "I was exhilarated by what had been achieved in the short period since Independence. I was also saddened by what might have been but was not, because of weaknesses in Government and in the party. I kept my counsel to myself, as I was an apprentice in the great school of politics." यदि सदन कहे तो मैं इसका ट्रांसलेशन हिन्दी में भी कर सकता हूँ या केवल quote करूँ?

उपसभाध्यक्ष (डा. सत्यनारायण जटिया): ट्रांसलेशन की सुविधा है, इसलिए आप चिन्ता न करें। आप जैसा बोल रहे हैं, वैसा बोलते जाइए।

श्री जयराम रमेश: आप जीएसटी पर आइए। ...**(व्यवधान)**...

डा. सुभाष चंद्रा: जीएसटी पर ही आते हैं, ये बातें पूरी तरह से जीएसटी पर लागू होती हैं।

उन्होंने कहा कि जब मैं किसी घटना के कारण राजनीति में आया, तो उस समय मुझे लगा था कि भारत ने और हमारी कांग्रेस ने थोड़े ही समय में बहुत प्रोग्रेस की है, लेकिन मैंने पाया कि हम सरकार और पार्टी की कमजोरियों के कारण काफी कुछ नहीं कर पाए, इसके कारण मुझे उदासीनता हुई। फिर भी, मैंने अपनी भावनाओं को अपने तक सीमित रखा और अपने आपको समझाया कि मैं तो अभी इस खेल में नौसिखिया हूँ या आज की भाषा में कहें, तो apprentice हूँ। इसके आगे उन्होंने कहा कि मैंने देश में दो वर्ष बहुत भ्रमण किया, बहुत लोगों से मिला, काफी अध्ययन किया, तब मुझे लगा कि मैं अब प्रधान मंत्री श्रीमती इंदिरा गांधी को अपना अनुभव बता सकता हूँ। उन्होंने मुझे सुना और कहा कि अब मैं अपने मन की बातें, अच्छी और बुरी, सब तुम्हें बता सकती हूँ। राजीव, मुझे लगता है कि तुम अब तैयार हो गए हो, मैं तुमको सब बता सकती हूँ। वे आगे कहते हैं कि इंदिरा जी ने मुझे अपने भारत की बहुत प्रकार की क्षमताओं और अच्छाइयों का जिक्र करते हुए भारत के उज्ज्वल भविष्य में आशावान होने की बातें बताईं, पर साथ में उन्होंने कुछ ऐसी भी चिन्ताएँ जताईं....

श्री जयराम रमेश: सर, प्वाइंट ऑफ ऑर्डर। सर, इसका जीएसटी से क्या नाता है?

उपसभाध्यक्ष (डा. सत्यनारायण जटिया): आप बैठकर बात मत कीजिए, ये आपको yield भी नहीं कर रहे हैं। चंद्रा जी, आप अपना भाषण जारी रखें। ...**(व्यवधान)**...

DR. SUBRAMANIAN SWAMY (Nominated): Sir, are they objecting to good words about Shri Rajiv Gandhi?

उपसभाध्यक्ष (डा. सत्यनारायण जटिया): स्वामी जी, आपकी मदद की भी जरूरत नहीं है। वे सीधा बोल रहे हैं, अच्छा है। ...**(व्यवधान)**...

श्री जयराम रमेश: स्वामी जी, आप भी जीएसटी के बारे में बोलिए। ...**(व्यवधान)**...

उपसभाध्यक्ष (डा. सत्यनारायण जटिया): आप बैठकर बात न करें। आप वरिष्ठ सदस्य हैं, थोड़ा ध्यान रखिए। ...**(व्यवधान)**...

डा. सुभाष चंद्रा: उन्होंने बहुत गहराई से इस देश का सटीक विश्लेषण किया हुआ था। उन्होंने बताया कि किस कारण ने हमारे पूरे सिस्टम को अंदर ही अंदर कमजोर किया हुआ है। उन्होंने बताया कि किस प्रकार से पार्टी में स्वार्थी तत्वों ने घुसपैठ की है और ये तत्व हमें प्रोग्रेसिव कार्य नहीं करने दे रहे हैं। ऐसे तत्वों को भ्रष्टाचार का संरक्षण होने के कारण भारत के सभी महत्वपूर्ण प्रतिष्ठानों की कार्य-प्रणाली में भी कमजोरी आई है। यह उस समय का उनका भाषण है। ...**(समय की घंटी)**... सर, आज तो मुझे बोलने दीजिए, आज मेरा पहला दिन है।

उपसभाध्यक्ष (डा. सत्यनारायण जटिया): आपके 15 मिनट्स हो गए हैं।

डा. सुभाष चंद्रा: मैं अब थोड़ी देर ही बोलूंगा। ...**(व्यवधान)**...

उपसभाध्यक्ष (डा. सत्यनारायण जटिया): ठीक है, पूरा कीजिए।

डा. सुभाष चंद्रा: उन्होंने कहा कि राष्ट्रवाद और राष्ट्रभक्ति की महत्ता में कमी आई है। 'Diminish' is the exact word used by her.

माननीय उपसभाध्यक्ष जी, मेरे लिए बहुत आश्चर्यजनक जानकारी इस सम्वाद में जानने को मिली और मेरी श्रद्धा उन दोनों महानुभावों के प्रति और भी बढ़ी है। उन्होंने आगे कहा कि किस प्रकार से pettiness या कहें ओछापन तथा स्वार्थी प्रवृत्ति के राजनीतिज्ञों ने एक सामाजिक सौहार्द के मूल ढांचे में भी दरार डाल दी। इन्दिरा जी ने आगे कहा, हमारे देश के बहुत से महान प्रतिष्ठानों यानी इंस्टीट्यूशंस के अंदर जाकर आप देखोगे तो पाओगे कि उनके बाहर से बहुत भव्य और पावन उद्देश्य वाली संस्थाएं दिखती हैं, बावजूद उनकी आत्मा और मूल्यों में कोई तेज नहीं रहा है, कोई तरारपन नहीं रहा है। कभी ऐसा लगता है कि वे जो कार्य कर रहे हैं ये सारे इंस्टीट्यूशंस, वे आम जनता की बड़ी संख्या के विषयों के लिए हैं ही नहीं, देश के लिए आवश्यक एवं निर्णायक विषय किसी व्यक्तिगत या क्षेत्रीय स्वार्थी के नीचे दब गए हैं। हमारे कानून बनाने और कानून बदलने वाले लोग दूसरों के सामने गुणवत्ता का परिचय नहीं रख रहे हैं, ताकि लोग उनका अनुसरण कर सकें। उन्हें देखकर लगता है कि सामाजिक, नैतिकता का अभाव हो गया है। ...**(समय की घंटी)**... तो इस प्रकार से अगर इसको मैं लम्बा नहीं करूंगा....

उपसभाध्यक्ष (डा. सत्यनारायण जटिया): बस हो गया।

डा. सुभाष चंद्रा: लेकिन उन्होंने इंस्टीट्यूशंस के बारे में कहा, पोलिटिक्स के बारे में कहा, अपनी पार्टी के बारे में कहा, देश के सिस्टम के बारे में कहा।

उपसभाध्यक्ष (डा. सत्यनारायण जटिया): डा. सुभाष चंद्रा जी, आपका समय पूरा हो गया है।

डा. सुभाष चंद्रा: सर, मैं खत्म करता हूँ। ...**(व्यवधान)**...

अल्पसंख्यक कार्य मंत्रालय के राज्य मंत्री तथा संसदीय कार्य मंत्रालय में राज्य मंत्री (श्री मुख्तार अब्बास नकवी): सर, अभी बोलने दीजिए, अगर आवश्यकता होगी तो हमारी पार्टी का समय ले लीजिए, बोलने दीजिए। ...**(व्यवधान)**...

डा. सुभाष चंद्रा: देश को ऐसी राजनीति चाहिए जो इन गरीबों की मदद करे, केवल भाषण में नहीं, जनसाधारण के लिए विचारधारा और कार्यक्रमों पर चलें। इसके लिए हमें राजनीतिक पार्टी, स्वार्थी तत्वों की सांठ-गांठ को तोड़ना होगा, हमें चुनावी नियमों को बदलना होगा। उन्होंने इस प्रकार की बातें कहीं। जब 1971 में उन्होंने बीस सूत्रीय कार्यक्रम दिया गरीबी हटाने का, उस समय भी यह जी.एस.टी. जैसी स्थिति थी। उनके बीस सूत्री कार्यक्रम में किसी प्रकार की कमी नहीं थी, लेकिन हमारे देश के तंत्र ने न तो उस बीस सूत्री कार्यक्रम को लागू होने दिया, न वह गरीबी हटी, आज भी हम बार-बार उस गरीबी की बात कर रहे हैं। मैं माननीय वित्त मंत्री जी से प्रार्थना करूंगा कि इस टैक्स स्ट्रक्चर को और भी simplify करें।

(MR. DEPUTY CHAIRMAN *in the Chair*)

MR. DEPUTY CHAIRMAN: Mr. Subhash Chandra, listen to me.

DR. SUBHASH CHANDRA: Sir.

MR. DEPUTY CHAIRMAN: This is not correct. You gave your name very late. You came and requested me for two, three minutes.

DR. SUBHASH CHANDRA: No; I didn't say, Sir.

MR. DEPUTY CHAIRMAN: Yes, you came inside and told me that you want only two to three minutes.

SHRI DEREK O'BRIEN: Sir, this is his maiden speech.

MR. DEPUTY CHAIRMAN: That is correct. You need not say that. So, I inserted your name. Now, even after 15 minutes, you have not concluded. This is not the way. This is not the way a maiden speech should be made. I am sorry; you conclude.

SHRI DEREK O'BRIEN: Sir, this is his maiden speech.

MR. DEPUTY CHAIRMAN: So what? He did not give the name on time. He came to me and requested me; so, I allowed him. And, then, you are taking so much of time, when so many Members who gave their names on time are waiting! I am sorry.

SHRI MUKHTAR ABBAS NAQVI: Sir, give him five minutes; he will conclude.

MR. DEPUTY CHAIRMAN: He has already taken 20 minutes. No. Not possible.

SHRI MUKHTAR ABBAS NAQVI: Sir, this is his maiden speech.

MR. DEPUTY CHAIRMAN: Maiden speech is maximum for 15 minutes. He has already taken 20 minutes. Nobody can hold the House for a ransom.

SHRI MUKHTAR ABBAS NAQVI: Sir, he will conclude in five minutes.

MR. DEPUTY CHAIRMAN: No; it is concluded. ट्वेंटी मिनट्स हो गए।

SHRI MUKHTAR ABBAS NAQVI: Give him five more minutes, Sir.

MR. DEPUTY CHAIRMAN: Okay. The Minister is requesting; so, you can speak for five more minutes. I have no problem.

DR. SUBHASH CHANDRA: Thank you, Sir.

MR. DEPUTY CHAIRMAN: Okay. All right.

डा. सुभाष चंद्रा: उपसभापति महोदय, मैं अपने conclusion की तरफ ही बढ़ रहा हूँ। आज भी यही स्थिति है, जैसी श्रीमती इंदिरा गांधी के समय में थी। आज भी मेरे कई मित्र opposition में रहते हुए भी जब one to one मिलते हैं तो जरूर कहते हैं कि "यार, यह मोदी काम तो ठीक कर रहा है और अगर यह कामयाब नहीं हुआ तो आगे कोई भी कामयाब नहीं हो सकेगा।" मेरे विचार से GST पहला कदम है, इस देश में बहुत सी चीजें करने की आवश्यकता है, जिनकी वजह से इस देश में टैक्स देने वाले को भी तकलीफ न हो। सर, ultimately उपभोक्ता, consumer टैक्स देता है। मेरे मित्र सीताराम येचुरी ने कहा कि direct taxes पैसे वालों पर लगते हैं — मैं इस बात को नहीं मानता हूँ। मेरे ख्याल से चाहे direct tax हो या indirect tax हो, ultimately पब्लिक के ऊपर लगता है, उपभोक्ता के ऊपर लगता है। हमें टैक्स का structure कम करना चाहिए, टैक्स कम होगा तो लोग देंगे भी और आपको इस प्रकार के penal provisions नहीं करने पड़ेंगे, जिनके अंतर्गत आपको लोगों को arrest करना पड़े और इस तरह की चीजें करनी पड़ें। इस देश में ease of doing business न होने के कारण indirect tax बहुत अधिक है, जो corruption की वजह से है, उसको भी ठीक किए बिना आगे का ढांचा ठीक नहीं हो पाएगा, ऐसा मेरा मानना है। मेरी सदन से यह प्रार्थना है कि आगे आने वाले समय में GST से आगे बढ़कर out of box thinking करें कि किस प्रकार की नयी टैक्स प्रणाली लाएं, चाहे वह बिल्कुल ही अलग प्रकार की हो। आज हम GST पर चर्चा कर रहे हैं, हम कहते हैं कि बहुत से देशों में यह लागू हो चुका है। हम क्यों उसकी नकल करें? हम क्यों न अपना एक ऐसा टैक्स का स्ट्रक्चर खड़ा करें, ढांचा खड़ा करें जो पूरे विश्व में unique हो, अलग हो, जिसके कारण टैक्स देने वालों की भी वृद्धि हो और राजस्व की भी वृद्धि हो, ऐसा मेरा मानना है। सर, मैंने समय ज्यादा लिया, उसके लिए मैं क्षमा चाहता हूँ, धन्यवाद।

SHRI KAPIL SIBAL (Uttar Pradesh): Thank you, Mr. Deputy Chairperson, for giving me this opportunity to speak on the GST. Sir, there are moments in the

4.00 P.M.

history of a nation where opportunities come and we seize those opportunities to catapult the nation forward. That opportunity came to us. It came to us when we, in Government, initiated this historic legislation. But, unfortunately, because of the consistent opposition of those who are now in the Treasury Benches, that opportunity slipped out of our hands. I wish this moment had come earlier and we had given to this country a GST which truly represents what we wanted to do. We have, on the other hand, cooperated with this Government because we want a GST for the people of India. But, Sir, I do believe that the kind of GST that we have given to the people of this country is not the kind of ideal GST that we wanted. This is an emasculated legislation. This is not a legislation which will achieve the objectives that we set out to achieve. This is not a GST where we were looking for one market and one rate. That would have been a dream-GST. Your Government, of course, Sir, has mastered the art of selling dreams, but has never earned the credit of realizing them. That is the unfortunate story of the last two and-a-half years.

I would, Sir, make just seven preliminary points and, then, touch upon some specific issues. The first point I wish to make is, what we have got today is not a one market one rate GST, but we have four market rates, a 5 per cent rate, a 12 per cent rate, an 18 per cent rate and a 25 per cent rate. But, even worse than that is the fact that both in the Central GST and the State GST, the tax rate can go up to a maximum of 20 per cent, which means, theoretically speaking, for any good or service, you can have a maximum rate of 40 per cent. And, on top of that, you can have a cess of a maximum of 15 per cent. So, we are talking about a 55 per cent tax rate in respect of a particular commodity or service. Sir, is this what you want for the people of this country? Is this the kind of legislation that we had dreamed of? You have, in fact, made a mockery of this legislation. The purpose of one market one rate was the ease of doing business, not that people should cease doing business. And, the kind of provisions that you have incorporated in this GST might actually result in people ceasing doing business, because it does not take forward the cause of 'ease of doing business'.

Sir, the third point that I wish to make is something very important, which perhaps has not been raised, and that is that this whole GST Network structure is under the control of a private entity. So, I want to know from the Finance Minister, who is absent at this point, as to how you are going to secure the data that is part of the GSTN structure. Data security is at the heart of doing business. What law have you put in place to ensure that there is going to be security of that data? What assurance have you given to the people of this country and to the business community, in particular, that the data which would travel on the GST system is

[Shri Kapil Sibal]

going to be secure? And what if competitors get access to that data? Can you imagine the kind of havoc that access of that data by competitors can cause? How do you trust a private entity to ensure complete security of data?

DR. SUBRAMANIAN SWAMY: Sir, may I make a small point here? May I tell you that this GSTN was set up in 2013? Why don't you ask your colleagues? ...*(Interruptions)*...

SHRI KAPIL SIBAL: Sir, the point I am making is, you are in Government. You are responsible for the security of that data. The Finance Minister is responsible for the security of data. And, it just won't satisfy us by him saying, 'No, no; it is secure.' He must inform the House how it is secure, what is the legislation that is going to be put in place to ensure that it is secure and what proceedings will be initiated in the event that it is found that that data of mine has been stolen by somebody, by a competitor or otherwise? This, of course, touches upon a larger debate, about security of Aadhaar and security of data when you are going digital in this country. It is sort of good atmospherics to tell the world that we are going digital, but it would be better if you work hard to ensure that the basic network for going digital is in place. And, I am afraid it is not going to be in place because you want to implement this by July, 2017.

The fourth point that I wish to make is that you have again jettisoned the Rajya Sabha. The issue of whether the tax rate can go up to 55 per cent is a matter that should have been discussed in this House. But by including it in the GST legislation and getting it passed in the Lok Sabha, we have had no opportunity to actually discuss it. You have it sent to the Standing Committee to raise the issues that are in our mind and then, of course, at that point in time come to a consensus as to how we should go forward. And again, you are committing that mistake because actually you are not just hurting the sentiments of this House but you are jettisoning the important function of this House. As we move forward, in a sense, because you have been a Member of this House right from the beginning, this is something that you should be thinking of much more than thinking of being Finance Minister in the Government and jettisoning the rights of this House. The fifth point I wish to make, Sir, is the following. This GST excludes petroleum and petroleum products; it excludes electricity; it excludes tobacco and tobacco products; it excludes real estate; it excludes Aviation Turbine Fuel. In terms of value, it excludes 40 per cent of the GDP. What kind of GST is this that 40 per cent of the GDP in terms of value is outside the GST system? The sixth point I wish to make is related to some of the provisions, and I will come to that a bit later, are anti-consumer, anti-kisan, anti-agriculture and anti-industry. I will refer to some of those provisions when I

come to those specific issues. The seventh point is, Sir, that, in fact, in my interaction with industry I am informed that industry didn't have a chance to have a complete consultation process with you. What you did was, you asked the industry to send representations which they sent you, but you didn't have an open dialogue with industry, and industry has complained about it. I have had an interaction with industry whether it is the Chamber of Commerce, or ASSOCHAM, or FICCI, or Confederation of Industry. They all told me that at no point they had a dialogue with you so that they could explain to you their concerns in respect of the GST. And, Sir, you have set the dates. In May, you are going to set out the rules in respect of the GST and rates in respect of particular commodities and services. That is going to happen sometimes between the 16th and 18th of May. Thereafter, you will finalise it at the end of May. Then the people of this country and industry and business will get to know, and they only have the month of June to get themselves ready for the GST that is going to be rolled out from the 1st of July. Is this how you treat your industry? Is this how you treat the business community? Sir, most of the business is done by the small and medium sector in this country. They are the backbone of this country in terms of commerce. And where do they have experience in digital, in organizing themselves digitally? And the last point that I wish to make is this. While this GST is going to be implemented, taxes would have been paid under the old regime and industry is going through a transition provision to actually embrace this GST, what happens in the interim is going to be a very, very difficult situation to handle? How are you going to give credit to those who have already paid taxes under the present regime? These, Sir, are the eight broad points that I wanted to mention at the outset. Now, Sir, one of the issues that I wish to raise, and that is a matter of great concern, is that definitionally you must be sure and the industry must be sure that at what stage are they liable to pay their taxes. If you look at clauses 2(14) and 2(15) of the IGST, which provide the definition of location of the recipient of the services and location of the supplier of services respectively, you will find that there are four kinds of definitions in respect of place of business. One is the place of business itself where the registration of industry takes place. Second is the fixed establishment which need not necessarily be the place where the registration of the industry is. Third is the location of the establishment, most directly concerned with the provisions of the supply. And, fourth is the usual place of residence. These are four separate concepts used in the IGST, and at each stage, whenever a transaction takes place, the supplier will have to figure out at what stage will he have to pay the GST. And, this will be a heaven for us, and when you are not in Government, for you as well, because the kind of litigation that is going to take place in the process is going to bedevil us. Anywhere else in the world, the place, where the main business is, where the business is established, where the registration is, is the

[Shri Kapil Sibal]

place of supply. If you look at the GST in Europe, the place, where the registration of the business is located, is the place of supply. So, the supplier knows where the return has to be filed and what data has to be kept by him. Here, every time, there is going to be a dispute. You take, for example, the insurance sector. As you know, in the insurance sector, you will have an insurance company located somewhere in Mumbai, but they will have branch offices all over the country. Activities will take place in the branch offices, and then the place, where the supply, where the credit is to be taken, it will have to be calculated, and in each transaction, you will have to look at different States in the country and register yourself in those States. What kind of mechanism is this? What kind of GST is this? Is this 'ease of doing business' that you envisioned when you took forward this law? For example, take the case of agriculture, and I mentioned the fact that this is anti-agriculture. मैं किसानों की बात करता हूँ। आपको मालूम है कि GST में जहां तक किसान का सवाल है, agriculturist का सवाल है, उसको GST नहीं देना पड़ता। वह exempted है और उसका produce भी exempted है, लेकिन देहात में जो आम किसान है, वह अपनी गाय का दूध भी बेचता है और अपने ट्रैक्टर को भी रेंट पर देता है। वहां से वह exempt नहीं है। जब उसका turnover 20 लाख से ऊपर हो जाए, यहां सालाना की बात कर रहे हैं, नॉर्थ-ईस्ट में 10 लाख, तो उसको अपने आपको रजिस्टर करना पड़ेगा। क्योंकि जो उसका produce है, turnover के लिए, अगर वह दूध भी बेचता है और ट्रैक्टर को रेंट भी करता है, उसको साथ में जोड़कर, उसको यह तय करना होगा कि उसको रजिस्टर करना है या नहीं, क्योंकि किसान के लिए तो आफत आ गई। पहले तो वह अपने दूध का हिसाब रखेगा कि मैंने कितना दूध खरीदा और कितना दूध बेचा और क्या उसका हिसाब-किताब है। फिर वह उसका invoice रखेगा। फिर उसके बाद वह जो ट्रैक्टर दिहाड़ी पर देता है, उसकी rent receipt लेगा, यह काम हिन्दुस्तान का किसान करेगा। This is 'ease of doing business' for India. मुझे तो समझ में नहीं आ रहा है कि आपके मन में क्या था? मैं आपको agriculture की definition बता देता हूँ। And this is clause 2(7) of the CGST Bill. It says, "Agriculturist" means an individual or a Hindu Undivided Family who undertakes cultivation of land- (a) by own labour, or (b) by the labour of family, or (c) by servants on wages payable in cash or kind or by hired labour." यह definition of 'agriculturist' है। साथ ही साथ आपने clause 2(112) of CGST में कहा है, "supply from cultivation of land is exempted." That's all. Only supply from cultivation of land is exempted. Nothing else is exempted. तो इसमें तो किसान को दिक्कत आ जाएगी। आजकल तो आप गरीबों की बहुत बात करने लगे हो। अगर उस बेचारे किसान ने अपने आपको रजिस्टर नहीं किया, तो Chapter 14 के अंतर्गत Tax Inspector उनके पीछे लग जाएगा। एक तरफ गो रक्षा और दूसरी तरफ टैक्स रक्षक। लगता है कि ये दोनों चीजें साथ-साथ चल रही हैं। आप जरा इसमें किसान के बारे में सोचिए और उसको इस दिक्कत में मत डालिए। आपको यह करना पड़ेगा, आपको इसमें एक प्रावधान लाना पड़ेगा, संशोधन लाना पड़ेगा कि जहां भी किसान के साथ कोई ancillary activity हो, उसको भी exempt किया जाए। यह हमारी मांग है, आप इस पर सोचिए। This is just one example. क्योंकि वक्त ज्यादा नहीं है, मैं ज्यादा वक्त नहीं लूंगा।

This is just one example how this GST is anti-agriculture.

Now, let us see, how it is anti-business. मैं आपको उसका उदाहरण देता हूँ। Under the present system, अगर कोई भी एयरलाइन, सुभाष जी बैठे हुए हैं, अभी तो वे मीडिया में काम करते हैं, थोड़े दिनों में हवाई जहाज भी खरीद लेंगे। People who are in the business of leasing planes know that under the old taxation environment, leasing of planes was exempt from customs duty under the Customs Tariff Act, and also the Sales Tax and VAT under section 5 of the CST Act, and, leasing of aircraft on a long term or lease from overseas lessors, which was deemed to be a deemed sale, was exempted from CST. अब क्या हुआ है? Now, under the present CGST and IGST Bills, leasing of goods including aircraft is considered supply of service, and, in case of lease from overseas, lessors' service tax will be payable under reverse charge by the lessee.

हमारी एयरलाइन्स को नुकसान हो जाएगा। क्योंकि इसमें उनको leasing के लिए, जो पहले कभी exempt थे, अब सर्विस टैक्स देना पड़ेगा। शायद आप इसको 28 तक परसेंट लगा दो। मुझे यह तो मालूम नहीं है कि आप कितना परसेंट लगाओगे, लेकिन जब उसमें उन पर सर्विस टैक्स लग जाएगा, तो अंतर्राष्ट्रीय स्तर पर they will not be competitive anymore. This is how this particular legislation is anti-business, and, anti-aircraft industry.

अब मैं उपभोक्ता की बात करता हूँ, कंज्यूमर की बात करता हूँ। पहले, जब हम एयरलाइन्स की टिकट खरीदते थे, तो जो सर्विस टैक्स होता था, वह केवल 40 प्रतिशत, जो टिकट की वैल्यू थी, उस पर लगता था। अगर सौ रुपये की टिकट है तो आप 40 रुपये पर सर्विस टैक्स देते थे, क्योंकि 60 रुपये का अबेटमेंट होता था, क्योंकि वह CENVAT credit था, वह उनको मिलता था। अब क्या हो गया है? Through this GST Bill, वह क्रेडिट खत्म हो गया, क्योंकि एविएशन, ATF is outside the GST system. अब जो उपभोक्ता है, जो टिकट खरीदेगा, उसको टैक्स ज्यादा देना पड़ेगा। पहले वह 5 प्रतिशत लागू था, लेकिन अब 20, 22 प्रतिशत हो जाएगा। आपने बिना सोचे-समझे यह पास करवा लिया, क्योंकि आपके पास लोक सभा में बहुमत है, लेकिन यहां आपने हमें चर्चा करने का मौका ही नहीं दिया। क्योंकि आपने मौका नहीं दिया, इसीलिए मैं आपके सामने ये सारी गलतियां पेश कर रहा हूँ।

तीसरी बात, जो बहुत ही serious issue है, वह MSME sector का है। आपको लगभग मालूम है कि इस देश में 70-80 प्रतिशत लोग उस सेक्टर से बिलॉग करते हैं। आपने इसमें क्या किया है? आपने इसमें यह किया है कि MSME sector से जो इंडस्ट्री किसी से माल खरीदती है, यानी job work, यदि वह unregistered है और अगर वह MSME sector unregistered से माल खरीदेगा, तो उसको purchase tax देना पड़ेगा। Under your present system, उसको टैक्स देना पड़ेगा। अगर उसको टैक्स देना पड़ेगा, तो वह कभी un-registered आदमी से माल खरीदेगा ही नहीं। क्योंकि वह उसको पास-ऑन नहीं कर सकता, उसको अपने आप देना पड़ेगा। इसका मतलब है कि जो unregistered dealers हैं, जिनकी आमदनी 20 लाख से नीचे है, जो register नहीं करते, उनसे कोई माल खरीदेगा ही नहीं, क्योंकि वे purchase tax क्यों दें? वह तो उन लोगों से माल खरीदेगा, जिसका input credit उसको मिल सके और वह आगे बेच दे। वह परचेज टैक्स क्यों देगा? So, this legislation is against the MSME sector also. So, Sir,

[Shri Kapil Sibal]

it is anti-agriculture, anti-consumer, anti-MSME sector, and, anti-industry. What kind of GST is this? टैक्सटाइल सेक्टर की मैं बात करूँ, तो लाखों लोगों का रोजगार टैक्सटाइल सेक्टर से जुड़ा हुआ है। आज टैक्सटाइल सेक्टर का क्या हाल है, वह मैं आपको बता दूँ। जहाँ तक कॉटन टैक्सटाइल का सवाल है, वहाँ जो टैक्स रेट है, वह आज के दिन 39.3 परसेंट है। For synthetic and MMF textiles, it is 18.7 per cent; readymade garments and miscellaneous textile products, 32.9 per cent; woollen, 4.3 per cent. It aggregates to 95.4 per cent. For remaining categories, khadi and handloom, it is 1.2 per cent; silk, 1.6 per cent; jute and hemp, 0.8 per cent and carpet weaving, 1 per cent. अब आप इसको कैसे रेशनलाइज करेंगे? किसी को मालूम ही नहीं है, कोई चर्चा ही नहीं है। जब तक आप इसको सही तरीके से रेशनलाइज नहीं करेंगे, तब तक टैक्सटाइल सेक्टर, जहाँ रोजगार सबसे ज्यादा है, वह बरबाद हो जाएगा। मंत्री जी यहाँ बैठी हुई थीं, वे चली गईं। So, my request to you is when you actually set out the rates on May 16th and 18th, make sure that you look into these anomalies and make sure that the rate of tax in this sector is 5 per cent and less because this is what ordinary people in this country go and buy and wear on a daily basis. If you make this expensive, they will be in a great difficulty. I hope, Sir, you take that into account.

Now, Sir, I come to the telecom sector. In the telecom sector, you have done a very curious thing for which I need an explanation. You have now said that you will disallow credit for anybody who purchases telecom tower. You will not give any credit to him. There is no rationale for this. You know very well that the telecom sector cannot work without telecom towers. And if you are not going to allow credit on telecom towers, you are going to make the entire service more expensive. Ultimately, it is the consumer who will suffer. And the industry already, as you know, is reeling under a debt of rupees three lakh fifty thousand crores. That is the debt of the industry today. For every hundred rupees of revenue they earn, and these are the official data, their outgoing expenses are hundred-and-fifteen rupees. That is the state of the industry today. What are you going to do about it? If you don't even address these issues, which affect industry, which affect agriculture, which affect consumers, what kind of GST are you giving to this country? That is why I said it is a mockery to the kind of the GST that we wanted. That is why my colleague and my friend, the then Finance Minister, kept on saying the Revenue Neutral Rate is 18 per cent. Do not go above the Revenue Neutral Rate. But, Sir, you believe in telling the world that you are doing something revolutionary. But the fact of the matter is that this is not a rational piece of legislation.

The two sectors that I want to touch upon are the banking sector and the financial services sector. This is, Sir, a very, very serious issue. As you know, Sir, in the digital world, now banking transactions take place over the net. Now, when

banking transactions take place over the net, say, a head office in Delhi dealing with a branch outside and there is transfer of money, that transfer of money is also subject to service tax and bank branches will have to keep accounts; financial services will have to keep accounts all over the country. Multiple registrations will be there, and then your tax people will come and start snooping into those transactions. This is true of insurance companies as well. Is this the way to deal with taxation? Taxation must be simple so that the business can comply with taxation provisions easily, that they are understandable, that they don't result in unnecessary disputes. That is the whole purpose of the GST — avoid disputes, make it simple, the definition should be clear, people should understand and the consumer should be protected, industry should be given a low rate of tax so that they can compete in the international community. But, Sir, none of that is there. You have thrown all that out of the window.

Sir, I am going to finish it. I don't want to take more time. I am just trying to place issues which perhaps have not been placed before this House.

Sir, do you know how transport sector works in this country? एक ट्रक वाला गुड़गांव होते हुए कहीं मुम्बई जाता है, वह रास्ते में कई चीजें करता है। वह हर जगह कुछ खरीदता है, कुछ लेता है, कुछ नहीं लेता है। वह अपने आपको कहां से register करेगा, कहां से value दिखाएगा? उसका टायर खराब हो जाता है, उसका इंजन खराब हो जाता है, वह workshop चला जाता है। उसकी हर चीज पर सर्विस टैक्स लगेगा। उसके पास कौन सा साधन है, सर, आप बताइए? वह कहां जाएगा? वह कौन सा एकाउंट रखेगा? जब ट्रक यहां से चलता है और मुम्बई जाता है, तो जो खरीदने वाला होता है, वह तो केवल यह कहता है कि freight के साथ-साथ जो भी ट्रक में रखा है, वह value आप ले लीजिए। उससे अलग जो खर्च होता है, वह कहां जाएगा? उसका टैक्स कौन देगा, कैसे देगा, कोई कैसे एकाउंट रखेगा? यह सारा informal sector है। बेचारे ड्राइवर को क्या मालूम कि क्या करना है और क्या नहीं करना है! साथ-साथ, आपको मालूम है कि आपके लोग वहां बाउंड्री पर भी उसको रोकेंगे, फिर उसको तंग करेंगे। मुझे याद है कि जेटली जी जब इस तरफ थे, तो वे हमें बड़े अच्छे भाषण देते थे। मुझे लगता था कि ऐसा ही होना चाहिए। अब मुश्किल यह है कि वे हमें जो भाषण देते थे, वे बिल्कुल उसका उलट करते हैं। कोई अमल नहीं। यह उल्टा-पुल्टा GST है। यह कौन सा GST है? सर, उस transport sector का क्या होगा? Transport हो गया, aviation हो गया, agriculture हो गया, financial services हो गई, फिर उसके बाद Chapter XIV. यह आपका सबसे important chapter है, जहां extortion होने वाला है, क्योंकि वहां ऐसा होगा कि वहां आपका tax inspector जाएगा और उसमें arrest का provision है, search का provision है, attachment का provision है, ये सब provisions हैं। तो क्या होगा? आपका inspector जाएगा और फिर आप कहते हैं कि हमें तो black money से बड़ी लड़ाई करनी है, हमें black मुक्त भारत बनाना है। ...**(समय की घंटी)**... ये तो आपके भाषण रहते हैं और जिस तरह से नीचे काम हो रहे हैं, वह तो हम देख ही रहे हैं। मेरा आपसे आग्रह है कि आप इतनी जल्दबाजी मत कीजिए, सितम्बर का इंतजार कीजिए।

श्री उपसभापति: ठीक है, आप समाप्त कीजिए।

श्री कपिल सिब्बल: सर, आखिर में, Clause 171 is very important. Subclause (1) of Clause 171 says, "Any reduction in rate of tax on any supply of goods or services or the benefit of input tax credit shall be passed on to the recipient by way of commensurate reduction in prices."

I believe originally when it was drafted it was only an enabling provision. Now you have made it mandatory. What is going to happen? You will set up a Council. That Council will constitute an Authority. And that Authority will examine whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by him.

Sir, how is that possible? You tell me this. How is that possible? And I will tell you, Sir, how it is not possible. Just give me a minute. I will tell you why it is not possible. It is not possible because there are several other factors that are in play. हर चीज, जो बिकती है, वह टैक्स के आधार पर नहीं बिकती है कि कितना rate of tax है। The price of any product or service is determined on the basis of various factors such as market conditions, input cost, competitive behaviour, labour cost, etc. It is not merely dependent on tax changes. Then you will tell him, "Look, you have not passed on the input credit to the consumer because the ultimate price of the goods or the services is not commensurate with the benefit that he got for the inputs." And who is going to decide that? Your Tax Inspector! Again, it is a source of exploitation and extortion. This is the kind of liberal tax regime that you want. I am sorry, Sir, that I have to say this. I, personally, as a Member of this House hesitantly support the Bill because something is better than nothing. Thank you very much, Sir.

श्री रामकुमार वर्मा (राजस्थान): रिस्पेक्टेड डिप्टी चेयरमैन सर, मैं आपको धन्यवाद देता हूँ कि आपने मुझे बोलने का अवसर दिया। मैं हमारे माननीय वित्त मंत्री महोदय और प्रधान मंत्री, श्री नरेंद्र मोदी जी को धन्यवाद देता हूँ, क्योंकि 'सबका साथ, सबका विकास', उनकी ही अवधारणा और संकल्प है। जीएसटी के इस बिल के द्वारा उनके उस संकल्प की पुष्टि होती है, क्योंकि राजनैतिक वातावरण में, सभी दलों की आम सहमति के आधार पर, आज यह एक हिस्टोरिकल बिल पास होने जा रहा है। मैं भारत सरकार, समस्त सांसदों और राज्य विधान मंडलों को भी बधाई और धन्यवाद देता हूँ कि राजनीति से ऊपर उठकर, सभी ने इस बिल को एक आम सहमति प्रदान की है।

जीएसटी का संविधान संशोधन विधेयक पारित हुआ और उसी के साथ आज जीएसटी से संबंधित जो चारों बिल हैं, उन पर यहां चर्चा हो रही है, इससे यह सिद्ध होता है कि भारतीय संविधान एक अनूठा संविधान है। हमारे यहां पर federal system है, संघीय शासन प्रणाली है। जीएसटी बिल के इन चार विधेयकों के माध्यम से केंद्र और राज्य, दोनों की शक्ति का समावेश हुआ है, जिससे भारतीय संविधान की मूल भावना, अनेकता में एकता की भावना परिपुष्ट हो रही है। यह अपने आप में, संघीय शासन प्रणाली के साथ, आर्थिक संघीय प्रणाली को भी पुष्ट करता

है। इसमें सबसे अनूठी बात है, एक जीएसटी परिषद का गठन होना, जिसके माध्यम से इसके संबंध में जो व्यावहारिक कठिनाइयां आएंगी, उनको किस तरह से दूर किया जाए और किस तरह से जीएसटी सुचारू रूप से लागू हो सके, यह देखा जाएगा। इस परिषद के द्वारा जो नियम बनाए जाएंगे, 'एक कर, एक देश' अथवा 'one rate, one nation' की बात सार्थक होगी। भारत सरकार और वित्त मंत्री महोदय ने इसके निर्माण में पारदर्शिता, स्पष्टता और स्वतंत्र अभिव्यक्ति का ध्यान रखा है, क्योंकि इसे स्टैंडिंग कमेटी के माध्यम से, सभी की आम सहमति और सुझाव लेते हुए तैयार किया गया है। सदन में इसके नियमों पर भी चर्चा होगी। मैं समझता हूँ कि इसके माध्यम से केंद्र और राज्य, दोनों मिलकर आर्थिक विकास करेंगे।

इसमें एक अनूठी और अच्छी विशेषता और भी है कि अगर किसी राज्य को पांच वर्ष तक कोई नुकसान होता है, तो उसकी क्षतिपूर्ति केंद्रीय सरकार के बजट के द्वारा की जाएगी। जीएसटी का, सत्ता पक्ष ने, हमारे पक्ष ने और सभी अन्य सम्माननीय राजनैतिक दलों ने समर्थन किया है, इसलिए इसमें दो राय नहीं है कि यह एक historical bill है।

जीएसटी के लागू होने से अनेक लाभ हैं, लेकिन चूंकि मुझे समय कम मिलेगा, इसलिए मैं संक्षेप में अपनी बात को कहूंगा। जीएसटी लागू होने से internal trade and external trade, दोनों में सकारात्मक रिज़ल्ट आएंगे। जिस देश के अंदर टैक्सेशन प्रणाली जितनी अधिक complicated होगी, जितने अधिक multiple taxes होंगे, तो निश्चित है कि उस देश के व्यापारी, चाहे छोटे व्यापारी हों या बड़े व्यापारी हों, वे प्रभावित होंगे। लेकिन जीएसटी के आने से सभी प्रकार के व्यापारियों को, उनकी उद्यमिता को प्रोत्साहन मिलेगा। इससे उनको एक स्वतंत्रता और निश्चितता मिलेगी कि मुझे एक ही टैक्स देना है। महोदय, इसी प्रकार से मैं यदि FDI या foreign investors की बात करूँ या जो foreign companies देश के अंदर आएंगी, उनकी बात करूँ, तो उन्हें जहां देश का राजनीतिक वातावरण अच्छा मिलेगा, वहीं उन्हें देश का आर्थिक वातावरण, वह भी देश की taxation प्रणाली के माध्यम से अच्छा मिलेगा। उससे हमारे देश को लाभ होगा। इससे हमारे देश की GDP Growth भी बढ़ेगी, मैं ऐसा मानता हूँ।

महोदय, देश की इस one taxation प्रणाली से भ्रष्टाचार पर भी नकेल कसी जाएगी। इसमें बिचौलियाएँ होंगी। Various taxation प्रणालियों के साथ ऐसा होता था, जिसके कारण छोटे और बड़े व्यापारी वर्ग में tax चोरी की आदत पड़ जाती थी, उससे मुक्ति मिलेगी। इससे भारत सरकार का जो मकसद है कि भारत को भ्रष्टाचार मुक्त करे, उसे मजबूती मिलेगी और इससे उसमें हमें बड़ा भारी सहयोग मिलेगा। इससे स्वच्छ प्रतिस्पर्धा होगी। Businessman tension में काम नहीं करेगा। उसके सामने स्पष्ट दिखाई देगा कि मुझे किस commodity का कितना tax देना है और मैं किस commodity का production कर रहा हूँ। इससे उसे प्रतीत होगा कि अब मुझे विभिन्न प्रकार के करों में न जाकर केवल एक प्रकार का ही कर चुकाना है। इससे उसे निश्चित रूप से एक बड़ी राहत मिलेगी।

[उपसभाध्यक्ष (श्री तिरुची शिवा) पीठासीन हुए]

महोदय, इससे आर्थिक वातावरण में परिवर्तन तो होगा ही, लेकिन इसके साथ-साथ सामाजिक परिवर्तन भी होगा। सामाजिक परिवर्तन की बात मैं इसलिए कहता हूँ कि जब tax का सरलीकरण होगा और इसमें taxation के rates भी सीमित हो गए हैं। इसके बारे में अभी हमारे माननीय सदस्यों ने कहा कि जहां एक तरह के tax की बात है, लेकिन इसमें चार तरह के

tax के rates होंगे। हमारा इतना बड़ा देश है, भौगोलिक दृष्टि से विभिन्नताएं हैं, उन्हें देखते हुए इस संघीय ढांचे में, यह बहुत कम है और यह देश के हित में होगा। उसे देखते हुए taxation से पैसा आएगा। कर चोरी नहीं होगी। इससे भारत सरकार की जनकल्याणकारी योजनाओं को फंड मिलेगा। भारत सरकार गरीबों और निर्धनों के विकास के लिए जिस प्रकार से पूर्ण रूप से वचनबद्ध है, उनकी योजनाओं को चलाने के लिए धन मिलेगा और उनका विकास होगा। इससे गरीबों को सबसे ज्यादा फायदा होगा।

महोदय, सरकार देश में पारदर्शी शासन-व्यवस्था के साथ, आर्थिक अनुशासन के लिए भी प्रतिबद्ध है। GST के इन चार Bills के पारित होने के बाद और इनके अन्तर्गत नियम बनकर, जैसा माननीय वित्त मंत्री जी का मन इसे जुलाई, 2017 से लागू करने का है, यदि यह लागू हो जाएगा, तो इससे बहुत बड़ी राहत मिलेगी।

महोदय, मैं इस संबंध में inflation की बात करूं, तो निश्चित है कि इससे inflation rate down होगा। इसका कारण यह है कि demand and supply के आधार पर inflation होता है, जब देश के अंदर production करने वाले को यह पता होगा कि उसे निश्चित रूप से इतना output देना है, तो वह उसी हिसाब से हमारी manufacturing units में उत्पादन अधिक करेगा और जब वह ज्यादा उत्पादन करेगा, तो जो demand है उसकी पूर्ति होगी और जब demand की पूर्ति होगी, तो मैं समझता हूं कि उससे inflation down होगा। इससे यह भी होगा कि जो छोटे-छोटे व्यापारी और धंधा करने वाले लोग हैं, वे उस लिमिट से दूर रहेंगे। इससे छोटे कृषक और marginal farmers की purchasing power बढ़ेगी। जब देश के लोगों की purchasing power बढ़ेगी, तो निश्चित रूप से देश का आर्थिक विकास बढ़ेगा।

महोदय, अभी हमारे कुछ माननीय सांसद कह रहे थे, वह उनका अनुभव होगा, मैं उनकी कोई बुराई नहीं कर रहा हूं, लेकिन मैं मानता हूं कि हमारे देश के किसानों को GST के माध्यम से बहुत राहत मिलेगी। उनका जो turnover इसमें निश्चित किया गया है, वह उतना नहीं होता है। चूंकि मैं देहात में रहता हूं और किसानों को व्यक्तिगत रूप से जानता हूं, इसलिए कह सकता हूं कि उनका इतना turnover नहीं होता है। हो सकता है कुछ लोगों को इससे निश्चित रूप से परेशानी हो, लेकिन वे farmer नहीं होंगे, बल्कि farmer के नाम से उन्होंने बड़े-बड़े farm house खरीदे होंगे, जिनका करोड़ों का turnover होगा, उन्हें दिक्कत अवश्य आएगी, मैं ऐसा मानता हूं।

महोदय, अभी हम कह रहे हैं कि real estate और petroleum goods आदि चीजों को हमने इससे दूर रखा है। इससे बहुत बड़ा फर्क नहीं पड़ने वाला है, क्योंकि real estate जैसी चीजों के बारे में आपको मालूम है कि अभी हम सभी ने मिलकर बेनामी संपत्ति विधेयक पारित कर दिया है। मैं समझता हूं कि उसके प्रावधान और उसे लागू करने की प्रक्रिया भी प्रारम्भ हो गई है, इससे real estate में कर की चोरी नहीं हो पाएगी। तो इन चीजों पर भी इस तरह का एक असर होगा। देश में सबसे बड़ा किसी तरह का संदेह हो रहा था कि इसके अन्दर हमारी— हमारे सम्माननीय भूपेंद्र साहब ने और अजय संचेती जी ने भी कहा था कि यह GST का Bill है और जो GST लागू होगा, तो यह भारत की मूल संस्कृति, जिसके अन्दर अनेकता में एकता का भाव है, इसमें यह भाव होगा। उस अनेकता में एकता के भाव को हमने कुछ महापुरुषों से जोड़ा। उसके लिए अगर हम डा. अम्बेडकर साहब का लें, तो आज हमारा जो कांस्टीट्यूशन है, इसमें जितने प्रावधान दिए गए हैं, जो federal system को adopt किया गया है, उसमें अनेकता में एकता

का भाव है। अनेकता में एकता का भाव उसमें है, तो मैं कहता हूँ कि उनका मूल भाव यह था कि गरीब को लाभ मिले, गरीब का कल्याण हो, उसको शिक्षा मिले और उसको स्वास्थ्य मिले। तो इस तरह से GST और अनेकानेक जो आर्थिक कदम उठाये गये हैं, उनसे उसका कल्याण होगा। यह हमारे सिस्टम को पुष्ट करता है।

इसी तरह से मैं कहूँ कि अगर हम विवेकानंद का विचार लें, पंडित दीनदयाल उपाध्याय जी की बात करें, तो उनमें भी क्या है? मानवतावाद के लिए वे निमित्त थे। हम मानवता के लिए गौतम बुद्ध की बात करें, तो मानवता, जो सामान्य मानव है, आज भारत सरकार का नेतृत्व और भारत सरकार की पूरी टीम इसके लिए प्रतिबद्ध है। हमारा मकसद इस देश के गरीबों के लिए, किसानों के लिए, मजदूरों के लिए और दलितों के लिए है। वे 70 वर्षों से जिसका रास्ता देख रहे थे, इंतजार कर रहे थे, लेकिन जिसकी घोषणाएँ तो हुईं, परन्तु उनका proper implementation नहीं हुआ, भ्रष्टाचार ने उनको बीच में ही खत्म दिया। यह एक असलियत है। इसको तो माना भी गया है। तत्कालीन प्रधान मंत्री महोदय ने स्पष्टता से यह माना कि 100 में से 85 परसेंट बीच में चला जाता है और 15 में से भी 5 ही मिलता है। तो यह एक real fact है। इसमें मैं किसी पार्टी की बुराई नहीं कर रहा हूँ, लेकिन जो स्थिति है, उसको बता रहा हूँ।

इसी के साथ, इस GST Bill के साथ, एक बहुत अच्छी बात भी पैदा हुई है। मैं उस बात में किसी की बुराई नहीं कर रहा हूँ। हमारा GST का Bill, जैसा कि हमारे सम्माननीय जयराम रमेश जी ने भी कहा तथा अन्य माननीय सांसदों ने भी कहा कि ऐसा नहीं है कि GST आज ही भारत सरकार लाई है, यह बहुत पुराना बिल है और 1990 में माननीय वी.पी. सिंह जी से लेकर हमारे विभिन्न वित्त मंत्रियों और प्रधान मंत्रियों के माध्यम से यह गुजरा है। तो ऐसा नहीं है कि यह भारतीय जनता पार्टी की सरकार या इस सरकार के द्वारा लाई गई यह एक नयी चीज़ है। लेकिन सर, इसमें एक नयी चीज़ है। मैं इसमें नयी चीज़ यह मानता हूँ कि GST के साथ, हम बेनामी सम्पत्ति का बिल भी देखते हैं, जो 1988 से चालू हुआ और अभी-अभी उसको पास किया गया। ...**(समय की घंटी)**... तो एक ऐसा माहौल बना और ये डिजीजंस हुए। मैं आज के वातावरण में राजनीतिक इच्छाशक्ति की बात कहता हूँ। पहले अच्छी योजनाएँ तो थीं, अच्छे निर्णय भी थे, लेकिन लागू करने या विधेयक बनाने की ओर इच्छाशक्ति नहीं थी। लेकिन आज देश के माननीय प्रधान मंत्री नरेंद्र मोदी जी की जो इच्छाशक्ति है, उन्होंने जिस तरह से राजनीतिक लाभ से ऊपर उठ कर बेनामी सम्पत्ति पर डिजीजन लिया, जिस तरह से डीमॉनेटाइजेशन का डिजीजन लिया और इसी तरह से ये जो विभिन्न बिल्स बनाकर काम किये, वह अपने आप में हिस्टोरिकल भी है। मैं समझता हूँ कि एक बड़ी सोच, एक राजनीतिक इच्छाशक्ति, मजबूत इच्छाशक्ति के रूप में, वह जो सबकी कमज़ोरी थी, वह दूर हो गई होगी। ऐसा राज्यों में भी होगा। ...**(समय की घंटी)**...

सर, मैं अन्त में यही कहूँगा कि जिस तरह का हमारे भारत का संघात्मक ढांचा है, हमारे आर्थिक संघात्मक ढांचे को पुष्ट करते हुए, GST से सरलीकरण के साथ-साथ जो विकास होगा, उससे GDP बढ़ेगा, Growth Rate बढ़ेगा, Inflation Rate down होगा। लेकिन जिस तरह की सदन में एक पूरी आम सहमति की स्थिति है, क्योंकि अब भारत सरकार का नेतृत्व 'सबका साथ, सबका विकास' की एक सकारात्मक सोच के साथ सबके साथ चल रहा है, उससे देश का विकास होगा। मैं ऐसा मानता हूँ, बहुत-बहुत धन्यवाद।

SHRI NARESH GUJRAL (Punjab): Sir, I rise to support these pathbreaking Bills which have the potential to change the entire Indian economy. This is the greatest reform Bill since 1991 when the Indian economy was unshackled by removing the licence quota raj by the Shri P. V. Narasimha Rao Government. Sir, the GST has become a reality and it reflects the true spirit of cooperative federalism in this country because all the parties which are sitting here—many of them are ruling in the States—their representatives were in the GST Council, where they passed it unanimously. Sir, I heard Mr. Sibal with rapt attention. He felt it was anti-farmer, he felt it was anti-business and he felt it was anti-industry. But I feel that his speech was totally anti his own Ministers in the States. Half a dozen of his Finance Ministers in the States participated in the deliberations of the GST Council. Was he trying to say that they were all either illiterate or incompetent and they had no sense where they were voting or what they were voting for? That really goes to show how this party treats its State Governments with contempt. Sir, I look at this Bill also as a anti-black money law as this will ensure that compliance increases, that tax would be payable only on value addition at each stage of output, and input credit would be made available, automatically, for taxes already paid. There would be an element of self-policing at each stage as it would be in the interest of the stakeholders to ensure that the tax chain is maintained. Sir, this Bill is going to benefit, both, the producing States and the consuming States. Sir, I represent the State of Punjab, which is, basically, an agrarian State. But Punjabis love to consume. They love to live well. But they do not like to see the face of invoices. All I have to say is — and Arunji would gratify what I am saying and so would Ambikaji — if all the eateries in Punjab just cut bills for the tandoori chicken that we consume, we will have a surplus budget, and this Bill is going to ensure that all the consumption of the State will be accounted for.

Sir, it is a well-known fact that trucks and commercial vehicles spent 16 per cent of their time at State barriers. You imagine, with the free flow of traffic, how much fuel would be saved, how much money would be saved and the pollution will also get reduced because engines were just idling at State borders. Sir, I heard Mr. Anand Sharma and Mr. Praful Patel say that this Act will be inflationary. I humbly disagree with them because once the compliance increases and the revenues to the exchequer increase, the rates will start coming down automatically. Finance Ministers don't like to tax their people too much because it is not populist. We saw in the case of the telecom industry and in the case of air travel, as the business rose, how the rates started to drop. You would recall that the charges for telephony used to be ₹ 15-20 a minute and, now, they are a few paise. So, I am sure, as the compliance will increase, the hon. Finance Minister here, and in the States, would all recommend that the rates start to go down.

Sir, our generation next has intellectual ability to build businesses. They have the creativity and they can take all the best in the world. But our inefficient and corrupt tax-regime was a dampener for them. Now, this will bring in simplicity and transparency in our indirect-taxation. Sir, FDI, which is helping India become the fastest growing economy in the world, was waiting for this revolutionary Act. We would be the largest recipient of FDI inflows with this forward looking Act and economists have predicted that India's GDP will grow by, at least, two per cent, with the passing of this Bill. Sir, the transition will not be easy, despite all the preparations that have been made by GSTN and whenever such a revolutionary step is taken, there are initial hiccups. But I am sure that our people will show resilience just as they did with demonetization because they know that the intent of the Prime Minister and the Finance Minister is good and that it is good for the Indian economy in the long run. Sir, Mr. Anand Sharma started his speech by saying that this was their idea but they were unlucky. Mr. Sibal said they lost an opportunity ..(Interruptions)..

SHRI ANAND SHARMA (Himachal Pradesh): Please don't put words into my mouth.

SHRI NARESH GUJRAL: It is on record. I was taking down notes.

श्री आनन्द शर्मा: मैं वही देख रहा था कि मैंने क्या बोला। ...**(व्यवधान)**...

श्री नरेश गुजराल: आपने कहा कि हमें पास करना चाहिए था। ...**(व्यवधान)**...

श्री आनन्द शर्मा: मेरे मित्र, आप जरा सुन लीजिए। मैंने कहा था कि that we were not lucky in what sense, at that time, we did not have an Opposition which saw the larger national interest and wisdom for majority. Now going to that side, the Prime Minister himself has got the wisdom, he was the single Chief Minister who had agitated the most for seven years. That is exactly what I had said.

SHRI NARESH GUJRAL: Sir, all I have to say that they lost an opportunity because they had a Finance Minister who was rigid, when he was required to be flexible. They had a Finance Minister who was obstinate, when he was required to be accommodative; and who believed it was his way or the highway, when he was required to be supremely patient with his colleagues in the States. Sir, on the other hand, we are fortunate to have a Finance Minister who with tact, charm, diplomatic skill and immense patience made sure that 29 States' Finance Ministers helped to pass it unanimously. Sir, once again, I congratulate the Finance Minister for skillfully tackling this humongous task and ushering in this transformative reform. I am certain that the hon. Prime Minister and the Finance Minister will not rest on past laurels.

[Shri Naresh Gujral]

There are other second generation reforms still to be ushered in, like the labour laws and privatization of perennially loss-making public sector undertakings. Mr. Finance Minister 'सितारों से आगे, जहां और भी हैं, अभी इश्क में इम्तेहां और भी हैं।'

SHRI SUKHENDU SEKHAR ROY (West Bengal): Mr. Vice-Chairman, Sir, thank you very much. My party, All India Trinamool Congress, has been maintaining consistently a stand that we are in favour of the GST. From 1999 election manifesto till date, we are in favour of the GST, and there is no deviation from that stand even today. After going through these Bills, we have certain reservations because there are certain in-built contradictions as pointed out by many hon. Members, including Mr. Kapil Sibal who has spoken very eloquently. I need not repeat it. यहां महाभारत से भी भूपेंद्र जी ने उद्धृत किया। एक माननीय सदस्य ने स्वामीजी की बात की। डा. सुभाष चंद्रा जी ने मुकेश के गाए गीत — हम हिन्दुस्तानी — को यहां गाकर सुनाया और हमने नरेश जी से शायरी भी सुनी। महाभारत में भगवान श्रीकृष्ण अर्जुन को उपदेश देते हुए कहते हैं कि यह आत्मा अविनाशी है, इसकी मौत नहीं होती, मृत्यु नहीं होती। जैसे हम अपने पुराने कपड़े छोड़कर नए कपड़े धारण करते हैं, वैसे ही आत्मा भी पुराने शरीर को छोड़कर नए शरीर को धारण करती है। उसी तरह, अब तक जितने taxes हमारे देश में थे, वे मरे नहीं, वे सभी आज भी जीवित हैं। सिर्फ शरीर बदल कर, GST में शामिल हो गए। जो यहां GST Council बनी, जिस ढंग से बनी और आगे इसका चेहरा क्या होगा, मुझे लगता है कि बोतल में कोई demon पैदा नहीं हुआ, कोई दानव पैदा नहीं हुआ, क्योंकि इस बिल की अगर Clause 65 आप देखें, जो audit से संबंधित clause है, इसमें बताया गया है कि Commissioner or any officer authorised by him may undertake audit of any registered person. Under Clause 66, the Commissioner will have the power of audit and even the special audit. What about the CAG? What about the Comptroller and Auditor General (CAG), which is a constitutional body? I have some confusion in my mind. I know that Mr. Jaitley is a very eminent lawyer and he has a reply to every issue and question that is raised by us, and I know that he would try to satisfy everybody with the kind of speech that he delivers.

Sir, the Constitution clearly states the role of the CAG. In 1971, in consonance with the provisions of Article 139 of the Constitution, the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 was enacted. Section 16 of that Act, *inter alia*, provides 'Audit of receipts of Union or of States: It shall be the duty of the Comptroller and Auditor General to audit all receipts which are payable into the Consolidated Fund of India, of each State and of each Union Territory having a Legislative Assembly and to satisfy himself that the rules and procedures in that behalf are designed to secure an effective check on the assessment, collection and proper allocation of revenue...'

Therefore, Sir, the entire duty has been assigned to the Comptroller and Auditor General under Chapter-V of the Constitution. An entire chapter has been devoted

5.00 P.M.

to the Comptroller and Auditor General. And here, in this Bill, audit and special audit has been given to a Tax Officer, to be appointed by the Government under Clause 3 of the GST Bill. So, I have got a little confusion there. And as I have stated earlier, I know that Mr. Jaitley, being an eminent and successful lawyer of this country, would reply to every issue. When he speaks, he speaks like Antony of Julius Caesar, and some of those sitting in the Opposition are Brutus, Cassius, Casca and so on. So, I want a clarification from the hon. Finance Minister on this particular issue. Thank you, Sir.

सामाजिक न्याय और अधिकारिता मंत्रालय में राज्य मंत्री (श्री रामदास अठावले): ऑनरेबल चेयर, मैं समझता हूँ कि आज का दिन एक बहुत ही क्रांतिकारी दिन है। अगर आज डा. बाबा साहेब अम्बेडकर जी होते, तो ...(व्यवधान)... आनन्द जी, क्या हुआ? ...(व्यवधान)...

श्री आनन्द शर्मा: हम तो आपके समर्थन में बोल रहे हैं। ...(व्यवधान)...

श्री रामदास अठावले: अगर आज डा. बाबा साहेब अम्बेडकर जी होते, तो वे नरेंद्र मोदी जी और अरुण जेटली जी की पीठ थपथपाते। अगर आज डा. बाबा साहेब अम्बेडकर जी होते, तो वे कांग्रेस और इधर के सभी लोगों का भी आभार व्यक्त करते और कहते कि बहुत दिनों बाद आपने अच्छा काम किया।

सर, यह जो बिल है, इसके बारे में मैं इतना ही बताना चाहता हूँ कि देश की गरीबी नहीं हटी, इसलिए अरुण जेटली जी ने लाई है यह जीएसटी। ...(व्यवधान)...

"जीएसटी कानून जब हो जाएगा अपना,
तब बाबा साहेब अम्बेडकर जी का पूरा हो जाएगा सपना।
इंदिरा गांधी जी ने जब दिया था 'गरीबी हटाओ' का नारा,
तब जाग गया था भारत सारा।
नरेंद्र मोदी जी बन गए हैं गरीबों का चमकता तारा
और इसलिए उन्होंने बजाए हैं आप लोगों के बारह।"

...(व्यवधान)...

(श्री उपसभापति पीठासीन हुए)

सर, यह जो जीएसटी का बिल है, यह अपने देश के गरीब लोगों को न्याय देने के लिए है। अगर सरकार के पास पैसा नहीं होगा, तो वह गरीबों का भला कैसे करेगी? जब राज्य सरकार और केंद्र सरकार को टैक्सेज के माध्यम से पैसा मिलेगा, तो ही खर्चा होगा, खर्चा नहीं होगा, तो पर्चा कैसे निकलेगा? तो सरकार के पास पैसा आना चाहिए। डिप्टी चेयरमैन सर, यह आज का बिल बहुत इंपॉर्टेंट है। बहुत दिनों तक इस पर चर्चा चलती रही, लोकतंत्र में आपको विरोध करने का अधिकार है। अगर आपको लगता है कि यह बिल ठीक नहीं है और उसमें कुछ कमियां हैं तो अमेंडमेंट लाइए। अभी यह जी.एस.टी. बिल है, दूसरा ए.एस.टी. बिल आएगा। अगर इस बिल में आपको कोई सुधार करना है तो अपने को अधिकार है, पार्लियामेंट को अधिकार है। इसीलिए

[श्री रामदास अठावले]

इस बिल का सपोर्ट करने के लिए मेरी रिपब्लिकन पार्टी है, बाबा साहेब अम्बेडकर जी की पार्टी है, मैं मंत्री भी हूँ ...**(व्यवधान)**... अमेरिका में भी रिपब्लिकन पार्टी है। मुझे यूनाइटेड नेशंस से बाबा साहेब की जयन्ती का निमंत्रण भी आया है, मैं यहां से 12 तारीख को अमेरिका जा रहा हूँ। मैं वहां डोनाल्ड ट्रम्प से मिलने वाला हूँ। रिपब्लिकन पार्टी का इंडिया का प्रेजिडेंट वहां अमेरिका के प्रेजिडेंट से मिलेगा, इस हाउस का लीडर व्हाइट हाउस में जाकर मिलेगा।

श्री उपसभापति: ओके, अठावले जी।

श्री रामदास अठावले: डिप्टी चेयरमैन सर, लोकतंत्र का अर्थ ऐसे ही होता है कि विरोध करो, जितना करना है उतना विरोध करो, लेकिन जब बिल पास होना है, तब आपको सपोर्ट करना चाहिए। ये लोग भी जब उधर थे तब आपका सपोर्ट करते थे। अब आप लोग उधर हैं तो हमारा सपोर्ट करते रहो दस-पंद्रह साल तक, हमको अभी कोई चिंता नहीं है। आपको भी चिंता नहीं, आप तो उधर ही रहेंगे, हम उधर ही रहेंगे।

श्री उपसभापति: बस, हो गया।

श्री रामदास अठावले: नरेंद्र मोदी जी का रथ आगे-आगे चला ...**(व्यवधान)**...

श्री आनन्द शर्मा: क्या भारत के प्रधान मंत्री और अमेरिका के राष्ट्रपति डोनाल्ड ट्रम्प की शिखर वार्ता से पहले ही ये मिलेंगे? इनको बताने दीजिए, अभी और समय दीजिए उनको। ...**(व्यवधान)**...

MR. DEPUTY CHAIRMAN: He is recommending for you! ओके, हो गया।

श्री रामदास अठावले: मैं कहना चाहता हूँ—

"नरेंद्र मोदी जी का रथ आगे-आगे चला,
इसलिए जी.एस.टी. से हो जाएगा देश का भला।
नरेंद्र मोदी जी में है गरीबों को आर्थिक न्याय देने की कला,
इसलिए उनकी सभा में जमा हो जाता है लाखों का मेला"।

श्री उपसभापति: ओके, अभी बैठिए।

श्री रामदास अठावले: इसलिए यह बिल बहुत इंपॉर्टेंट है। मैं सभी राज्यों का आभार व्यक्त करता हूँ, सभी मुख्यमंत्रियों का, सभी अर्थ मंत्रियों का, क्योंकि इनको कन्विस करना बहुत मुश्किल था, उनको ज्यादा मुश्किल नहीं था, लेकिन आपको ज्यादा मुश्किल था उनको कन्विस करना, लेकिन आप कन्विस हो गए हैं तो अच्छी बात है कि एक अच्छा बिल, देश की प्रगति का बिल, देश का विकास करने का बिल, सामाजिक न्याय के साथ-साथ आर्थिक न्याय का बिल आया है। मैं इस बिल का समर्थन करता हूँ। जय भीम, जय भारत।

SHRI ANANDA BHASKAR RAPOLU (Telangana): Mr. Deputy Chairman, Sir, I was pleading right from the beginning. My name was there. I don't want to argue about it. If you could, kindly allow me for a few minutes. Otherwise, I will sit down.

MR. DEPUTY CHAIRMAN: You may take two minutes.

SHRI ANANDA BHASKAR RAPOLU: Mr. Deputy Chairman, Sir, as Mr. Ravi Verma said, this is not historic but this is just historical. Had it been ten years earlier, it would have been historic. I don't want to go into the structured submission before you, Sir, but I would like to take up the issue of textiles. Textiles, as was mentioned by our esteemed Member, Shri Kapil Sibal, is catering to as a large component of employment. In that, handlooms, cotton looms, khadi looms, pure silk looms and jute looms are going to face a very serious distress with implications of the GST. Out of 75 lakh business units, those who are going to come under GST purview, there are several those which are catering through handicrafts and handlooms. I plead the Union Finance Minister to look at that, and I also appeal to him to look at the apprehensions of the State Governments as it was expressed by several Finance Ministers, including of Telangana. Thank you.

THE MINISTER OF FINANCE (SHRI ARUN JAITLEY): Mr. Deputy Chairman, Sir, we have had a detailed and elaborate discussion on these four legislations which are essential to give effect to the Goods and Services Tax. Earlier we had the opportunity to discuss threadbare this issue when the Constitution Amendment Bill itself was discussed in both the Houses of Parliament. At the very outset, I would like to thank all the Members who have spoken on this because the broad approach almost of every Member has been in support of this Bill. Even the Constitution Amendment Bill was passed unanimously by both the Houses of Parliament. Therefore, I am extremely grateful to all political parties, in both the Houses of Parliament as also in the State Governments, which extended support to it. Not only has it been passed in these Houses, we have a GST Council where 29 State Governments and two Union Territories with Legislatures are represented, besides the Central Government. Except Tamil Nadu, which had reservations, when the Constitution Amendment Bill was passed, but after it was passed, it is a law applicable to all the States. Therefore, even the hon. representatives from Tamil Nadu, along with the other States, have been actively cooperating in endeavouring to see that the GST itself becomes a reality. I am sure, all of us have learnt from the experience of the last 10-11 years. A lot of comments have been exchanged about what happened, why it was delayed and consequences of the delay itself. Originally, the idea was mooted out in the Budget of 2006. The Constitution Amendment Bill itself was introduced in 2011. And initially, it is a fact that when an idea as radical as this is moved, it will take time before people digest the full implications of that idea. Under our Constitutional scheme, both Centre and States were empowered to levy different kinds of taxes. The Centre was levying the manufacturing tax, which is the Excise Duties. We were levying the Service Tax. The tax on sale or VAT was being levied by the State Governments. There were several other taxes from Entertainment Tax to Luxury Tax, Purchase Tax, Entry Tax, Octroi, which was being levied by the

[Shri Arun Jaitley]

State Governments. Therefore, the initial impact was that many States felt that ‘the Constitutional structure under which we levy our taxes and the Centre levies their taxes, are we going to lose our jurisdiction itself?’ Therefore, there was obviously an initial reluctance. In fact, Mr. Anand Sharma quoted the Madhya Pradesh Finance Minister, who, I think, was most vocal, along with Tamil Nadu, in raising this question over years that why should the States lose their rights. There were several States – Gujarat, Maharashtra, Karnataka, Tamil Nadu – which were manufacturing States, which felt that ‘this being a destination tax, the consuming States are going to benefit more and we as manufacturing States, producing States have invested in the infrastructure for manufacturing, so we are going to lose revenue.’ “The consuming States are going to gain and therefore, how is it that we are going to be compensated itself?” I must admit that from 2006 onwards when this experiment was made, and thereafter, the Empowered Committee of State Finance Ministers was constituted, each step under different Governments, for all of us, has been a learning experience, how to improve upon this idea. And therefore, to compensate the States which anticipated or feared the loss of revenue, the provisions had to be brought in. And they had to be brought in by a Constitutional amendment. Even with regard to the language, a considerable amount of time was spent. The Standing Committee, during the last Government and the present Government, spent a lot of time. Thereafter, we appointed a Select Committee of this House, which Shri Derek O’Brien referred to, which tried to work out a consensus. Even after the Select Committee, my friends in the Congress Party raised certain issues. We had a lot of discussions with them. We were able to address some of those concerns over and above what the Select Committee had recommended and some, we were able to persuade them not to insist upon because a larger consensus was being brought about. Therefore, this Bill, I have no hesitation in conceding, is not a Bill for one person or one Government or for which any individual should take credit. It is a collective property in which States, political parties, Central Government, successive Governments have all contributed to it. And I have no difficulty in sharing the credit for this with everyone, particularly, the State Governments because we are now creating a situation which was originally not anticipated in the Constitution and I will explain why. In the original Constitution, you have clearly defined areas where on taxes, either the Centre has the jurisdiction or the State has jurisdiction. There is a Central list, there is a State list. Then you have Concurrent List where the Centre chooses to act, then the Centre gets primacy. The State will be excluded. So, there is no grey area in the Constitution where both the Centre and States simultaneously exercise power. It is either the Centre or the States, but, as a part of this ten-year consensus building and what was drafted as a Constitutional amendment, from the original draft which was prepared in 2011, and

introduced, there were additions, improvements made by the Standing Committee, then by the Select Committee. Some changes were made by the Empowered Committee. A new situation was created. The States decided that they will not be levying these indirect taxes. The Centre decided that we will not be levying these indirect taxes and instead, both jointly gave birth to the concept of a Goods and Services Tax and the Constitution was amended and a new provision Article 246A was put in where both the Centre and States simultaneously got the power to levy the Goods and Services Tax. This is the only tax which is now going to be simultaneously levied by both of them. How do you levy it? Who will administer it? Is it the Centre or the State? So, Article 279A was brought in, in which it was mentioned that the administrative machinery for taking the decisions and for implementing it will also be jointly done by the Centre and the States. So, each one of those concepts was specifically defined in the Constitution itself. Now, we have a situation that you will have the Goods and Services Tax Council comprising twenty-nine Finance Ministers of States, the Union Finance Minister, the MoS for Finance from the Centre, two Finance Ministers from two Union Territories — Delhi and Puducherry — with Legislature. Sir, thirty-two legislative bodies represented there. They will have the power to make recommendations. The plenary power remains with Parliament and State Legislatures. But, then, what you decide in the Council — of course, we can always ask the Council to reconsider its decision — becomes a federal arrangement between the Centre and the States and between the States and States themselves. And, once thirty-two of these bodies come to a particular decision, whether it is with regard to rates or whether it is with regard to draft legislation, it has to be taken up. Today we are at a stage where these draft legislations have been prepared by these thirty-two representatives.

Sir, the four proposed legislations — CGST Bill, UTGST Bill, IGST Bill and GST (Compensation to States) Bill — have to be approved by the Central Legislature and you have a mirror image of CGST in the form of SGST which has to be approved by thirty-one Legislatures in the country. Therefore, when we exercise this power — I am glad that most people have adopted that attitude — we all have to be guided by the federal concern that this is an arrangement which has been arrived at and, therefore, unilaterally, one of the parties cannot disturb that arrangement. This is the very first test. Sir, the GST Council, effectively, is India's first federal institution functioning. Therefore, we have been careful enough in the GST Council.

We have had fourteen meetings. Each meeting had gone on for several hours and, at times, several days and we tried to reach consensus on every issue. And, Sir, we have consciously avoided a vote, because federal decisions are not issues which you can just resolve by voting. We want to consciously create a precedent whereby,

[Shri Arun Jaitley]

through a process of deliberative democracy, we want to resolve the issues. Once those arrangements are finalized, if we find that there is something imperfect in those arrangements and since each one of the political party here is, directly or indirectly, represented in the Council, it can make corrections. And, in an experiment of this kind, there will always be a scope for improvement. Therefore, when you say, 'you have legislated it', I would say that we have all, collectively, legislated through that body. And, Sir, the drafts before us have been prepared by that body unanimously.

Sir, if I may just point out, over the last ten years, we have had thirty sub-groups and Committees. How much interaction administrative Ministries have had with Chambers, industry, etc.? Sir, 31,000 industry professionals have been trained; 51,000 officers of the Central Government and the State Governments have been trained; 175 meetings at the level of officers have taken place. There is a Legal Committee which finally prepared drafts that come before the GST Council comprises, predominantly, officers from the State Governments. And, there are some officers who played a very active role in drafting these Bills, because they are well-versed, they have been trained and there are Special Commissioners who have been handling taxation in their respective States. Therefore, this is the extent of work each one of them has put in. Ultimately, the object seems to be that with the revenues of the Centre, the revenue of the State, the industry and trade must benefit. Today, any person doing business in India has an interface with multiple taxes. He has an interface with multiple assessing authorities. After this is implemented, he is going to have an interface only with one authority. The decision of the Council that in a large number of cases, it could be as high as 95 per cent, the self-assessments made there will eventually be the assessment. And, there would be only a few cases which will be taken up either at the State level or at the Central level for audit. And, when one of the two, because there is a dual control, takes it up for audit in accordance with the principles that they have laid down what the State will then decide will be binding on the Centre and *vice versa*, then, the sharing of the revenue on the basis of the collections itself will take place. There will be free flow of goods and services. There will be concerns too. Mumbai, as you said, will lose octroi. But, Maharashtra will start getting a share of service tax that comes from Mumbai. And, probably, the largest share of service tax comes from Mumbai. Today, they are not getting this. Therefore, the factual situation today is that with the advantages of the GST, the free flow of goods and services that take place, a lot of convenience in the system itself is going to come in.

Several issues have been raised in the course of the debate. These have consciously been considered. Why multiple taxes? The last hon. Member, who spoke, raised the

issue of textiles; somebody raised the issue of some other products, like, biscuits. Today, you have a large number of products that are zero-rated. So, you can't have one rate where everybody pays that tax. Many will have to remain zero-rated. You have products that are marginally taxed where you may have five per cent rate. You have 18 per cent and a higher rate of 28 per cent. The simple formulation, in the first instance, is going to be what your present rate of taxation is. And, if you add up your taxation, you can be fitted against the nearest rate that exists. And, that nearest rate that exists is the one against which you will be fitted. That is what, in the first instance, is going to happen.

What will happen to the cesses? A lot of these cesses, which are on indirect taxes, are going to be removed. Some of the cesses on luxury or sin goods will remain there. So, those cesses itself will continue to remain and those cesses itself will be used as a pool in order to provide the money that has to go into the compensation package. That is how the GST Council has worked it out. Somebody mentioned that 40 per cent is mentioned in the IGST. That is the cap. If 18 per cent is the rate, there will be 9 and 9. If it is 28 per cent, it will be 14 and 14. So, it is not going to be 40 per cent. It is the cap. It is the outer limit so that once you raise it, you don't have to amend it at every stage. The caps are always higher. The caps are always higher; the bound rates are always higher than the applied rates. That is why the rate of 40 has been put. What will happen to the cess on luxury and sin products, which will be used for five years for compensation? After five years, it may be subsumed into the taxes itself. The Council will take a decision. That is what has been decided with regard to the five-year-cess itself.

Now, I come to petroleum products. Petroleum was a deal breaker. Even under the old Government it was a deal breaker. The States were not agreeing. So, with great difficulty, we persuaded the States. We will bring petroleum into the GST, but, zero rated, till such time the Council decides to impose a rate. On alcohol, the States were not in agreement. Therefore, as the GST experiment succeeds, hopefully, one day petroleum will come into it. Once the States decide, for which you may have to change the Constitution, you will, then, decide about alcohol. With regard to the real estate, the States had decided that they didn't want to bring it in. They had some difficulty with regard to stamp duty, and so on, which are otherwise not impacted. The Chief Economic Adviser made a detailed presentation to the States on the advantages of bringing real estate into the GST. You don't have to amend the Constitution for that. The Deputy Chief Minister of Delhi who is also the Finance Minister circulated a note and made a detailed presentation, wanting real estate to come in. Some of the States started supporting this idea. Then, in one of the meetings, held a few weeks ago, they said, let us implement it; we will see the

[Shri Arun Jaitley]

experience, and in the first year itself, we will revisit our decision with regard to real estate; and, hopefully, if we agree, we will bring real estate into it. Speaking for myself, I was in favour of real estate. The Delhi Government was in favour of real estate. The Chief Economic Adviser made a presentation. Several stakes were upheld. Let me tell you the manner in which the GST Council has been functioning. Not on one issue had the Council divided itself on political lines. There have been issues where two Congress Finance Ministers have been at odds with each other. There have been issues on which defending the rights of the States, the BJP Finance Ministers have argued with me. Finally, after discussion, a *via media* is arrived at and a decision, therefore, is taken. I am quite sure that on issues like petroleum, issues like real estate, in foreseeable future, once the experiment of the GST itself picks up, one by one the Council itself will take a decision. And, since we have created a federal institution, we can leave it to the federal institution itself to decide as to what is to be done. Mr. Anand Sharma raised a very valid issue. Several service tax players, Telecom, IT, Banking, Insurance, etc., made a detailed presentation in person to the Council for a centralised registration. The Act had no provision. Therefore, the States, in one voice, said, "We will separately register it." Registration is an online process. Therefore, getting a similar and identical online registration in 20 or 30 States is not a very difficult thing. What if you get audited by different States? That is a bigger challenge. So, we agreed to put in clause 148 in the CGST law. For instance, you can say that for a major service tax player, a bank or a telecom company, or, an IT operator, a joint audit of the Centre or the State can take place. You can have a Central audit. The Clause 148 itself permits it. Therefore, they created an arrangement. Today, there will be a separate registration, which is an online registration. But there is a provision as far as a separate audit for a particular category is concerned. Jammu and Kashmir in the Constitutional Amendment itself and in the law is not included because of Article 370. Now, not being included will keep Jammu and Kashmir outside the benefit of the input credit chain. So, consumers there are going to lose out; producers there are going to lose out. The consumers themselves may have to pay a price where they don't get the input credit of what taxes are already paid. Therefore, Jammu and Kashmir, under their Constitutional requirement, will have to bring their own legislation, and that legislation, I am told, is likely which will integrate itself into the Central law itself. And, therefore, they will become a part of the chain, and, as a gesture itself, even though J&K is still not a part of this whole arrangement, the hon. Finance Minister of J&K attends every meeting and participates actively because J&K is also going to, being a consuming-State particularly, benefit as far as this arrangement is concerned.

A lot of questions have been raised about GSTN and why was this arrangement made. Some objections have been raised but I was surprised when Mr. Sibal raised this question. Between the Empowered Committee and the Finance Ministry, during the UPA Government, a lot of detailed exercise has gone into it. The Empowered Committee went into it. There are billions of vouchers every month which GSTN is going to match and, therefore, the IT skills, as you yourself rightly mentioned, have to be of globally the best standard. It will be the biggest network in the country in that sense. Now should that network be run within the Government itself? Will you be able to have the flexibility inside the Government to get the best of the talent available within the scales, salaries, discipline of the Government itself, or, should there be a deep and pervasive Government control and yet flexibility to hire and function with the very best? And, I think, under your Government, you made a conscious choice, and the choice was that twenty-four-and-a-half per cent each, that is, 49 per cent is held between the Central and the State Governments. The balance, 51, goes to entities like some banks in the private sector, one of the LIC Housing and I think one of the offshoots of the NSC. Strictly, 51 per cent could be considered to be outside the Government. But then, over the years, the wisdom of the Government and that of the Empowered Committee was that while giving it the flexibility of only a 49-per cent Government, out of the Board of 14 members, those private banking institutions and also the insurance institutions will have three, Government has seven and four are independent people selected with majority Government participation. So, the Board is really 50 per cent Government, 4 independent, nominated by the Government – there was a Member, Nilekani Committee appointed when the UPA was in power which recommended all this structure – and only three from those so-called other institutions. All key decisions are to be taken – some key decisions – by a special Resolution. Shareholders' Agreement for key decisions and affirmative vote of the Government is required. So, unless the Government of India agrees or all the Governments of States agree, the decision is not taken. It will be headed by some officers, sent on deputation from the Government itself. So, what was the arrangement of GSTN? To be able to hire the best talent pool that 30 billion vouchers in a month can be matched and this data maintained, you give it the flexibility of 49 per cent-Government so that you get the best pool, but the management structure has a deep and pervasive Governmental control, and then in the Act itself, we have put in Clause 133 that any information which is made public becomes a penal offence. So, not only do you build the firewalls around the structure but you also made this. Now this demand has been raised repeatedly to change the structure. At some stage, if we all feel that the structure is to be changed, structures can always be changed; Government can acquire one per cent or two per cent more shares. But then, I am not sure whether the same flexibility would remain or not. Therefore, we keep this

[Shri Arun Jaitley]

issue open. At present, we have not felt the necessity of altering that arrangement, that there remains flexibility with 49 per cent Government, but the management structure is created with a deep and pervasive governmental control, with IT firewalls built around it and penal consequences if any information is made public in order to secure the information. Therefore, we decided to continue the arrangement which was arrived at because it was arrived at after not just one stray decision, but a series of consultations and decisions, held under the previous Government and by the Empowered Committee. And, that Empowered Committee didn't belong to the Government. Every Government, till today, has made sure that the Chairperson of the Empowered Committee is a person not belonging to the Ruling Party in power, the reason being, we always appoint an Empowered Committee Chairperson who is from one of the Opposition Parties, so that a larger participation can happen. And, in that structure, all the Finance Ministers of all the States, the Finance Ministers of the Congress, the Left Parties, the BJP and other political parties, everybody has participated and come to this arrangement that the Government has, along with the best advice, gone by that structure. Therefore, we must be clear that this is how the GSTN itself was created.

Shri Naresh Agrawal had raised the issue that internationally tourists get a refund. Of course, in the IGST, there is a provision in Clause 15, where the tourists do get a refund. Now, what would happen if there is a part excise duty and a part service, as in the case of air conditioners? There is a provision as far as a composite supply is concerned. There are methodologies of taxing a composite supply, which is part manufacturing and part services. In a house, for instance, the steel, cement, sanitary fittings, electrical fittings, will all be excisable; the architect and the contractor will have to pay a service charge. In a restaurant, there would be excisable items and there would be a service tax element. These are composite supplies. And, therefore, the law, obviously, has a provision, with regard to that. Then, there are the arrest provisions. Now, as far as the arrest provisions are concerned, service tax and excise law had some very stringent arrest provisions. In the last two Finance Bills, we have reduced them significantly. Some States, in the VAT law, had an arrest provision while some didn't have an arrest provision. Now, this was thoroughly debated by all the Finance Ministers, and there were clearly two views at the very outset. The first view was, 'why arrest'? The second view was, supposing a man defrauds ₹ 100 crore, is the State Government powerless? And he has no assets to recover it from; what do you do? What is the kind of deterrent? And then, the wisdom of the Council itself was that they chose a middle path. They diluted the grounds on which an arrest can be made. And the grounds now are, you make a supply

without any vouchers altogether, or you have vouchers fakely created, forged and no supply, or you collect taxes and don't deposit it. Now, these would otherwise also constitute forgery and breach of trust. Now, these are the three circumstances. शरद यादव जी ने कहा कि अगर कोई छोटा सा fraud करता है, तो क्या उसको arrest करेंगे, तो उन्होंने कहा कि नहीं, छोटे को नहीं करेंगे। So, up to a fraud of two crore rupees, no arrest. ...(*Interruptions*)... Now, actually, some of the States which had a tougher stand, said, 'why should we allow that; two crores is a very large amount'! If an arrest is made for a fraud of two to five crore rupees, it is bailable. After ₹ 5 crore, it is non-bailable. So, it is only in the very big fraud cases where a man forges a complete transaction, it is only then that the arrest is made. And this was the actual division — should you have no arrest or should you have arrest only in rare cases and with very stringent conditions. Mr. Satish Misra wanted to know how compounding and arrest co-exist. Arrest is for the offence and compounding is when the prosecution is filed, which is the next stage. So, after arrest, you are on bail or not on bail; when the prosecution is filed, there is a separate chapter which gives you the option of asking for a compounding on such payment as the rules may themselves prescribe.

SHRI SATISH CHANDRA MISRA: You have provided in sub-clause 5 of clause 132 that it will become non-bailable, while even under clause 132(5)(i), it is compoundable. It is compoundable even after ₹ 5 crore. In that case, you arrest him. But the question is whether it is bailable or non-bailable. In other matters, it is bailable. In this, you are making it non-bailable.

श्री अरुण जेटली: सतीश जी, अगर वह पांच करोड़ से ज्यादा वाला होगा, तो नॉन-बेलेबल होगा, even if it is compoundable. Everything is compoundable, पांच करोड़ से ज्यादा वाला नॉन-बेलेबल होगा और नॉन-बेलेबल में भी अगर कभी बेल हो जाती है और बाद में prosecution file होता है, तो आप prosecution के टाइम पर कहेंगे कि मैं पैनल्टी देने के लिए तैयार हूँ, आप मेरे tax और penalty को compound कर दीजिए That is a separate chapter altogether. A question has been raised with regard to CAG. With regard to CAG, जो छोटा ट्रेडर है, उसके जो ऑडिट केसेज होंगे, those will be audited either by the State or by the Central Government through their representatives. Whether the Department itself is doing its duty as per law or not, the CAG has the overriding power to call for any case. Now, a question arose whether we must have a provision in the Act itself empowering the CAG. The current CAG wrote to me and suggested that I must put a provision in the Act. I took it to the GST Council. The Council said, "None of the Taxation laws says we have the power to audit, that is, the State Government or the Central Government; the Tax laws don't give CAG the power to audit; the authority of the CAG emanates from the Constitution and from the CAG Act itself. Therefore, this Act needn't have a special empowerment for the CAG." The CAG's

[Shri Arun Jaitley]

empowerment comes from the Constitution and the CAG law itself. Therefore, those powers of the CAG to see whether a particular State Government or the Central Government is auditing correctly or not remains under the CAG Law itself. So, that power is separate. This is in relation to the question that you have raised. Now, under this Act, presently, nine set of rules have to be made. Maybe, in future some more may be required. We made five rules and made them public. Objections came. After the draft was prepared, we have corrected those rules and those final rules have now been made public. The other four have also been approved tentatively and made public. Under the democratic consultative provision, if some objections come and we have to make some marginal change, we are awaiting that which we will take up in the next meeting itself. Clause 171 is about anti-profiteering. Now, anti-profiteering is to prevent an unjust enrichment. I give you an example. Obviously costing and pricing depends on several factors; that will be a defence. Let us take the case of white goods. Most white goods today are taxed, if you total all the taxes, at about 31 per cent to 32 per cent. अब उस 31-32 per cent को 28 per cent पर किया जाएगा, that is the highest rate. उनमें से कई ऐसे प्रोडक्ट्स हैं, जो केवल middle class ही नहीं, lower-middle class भी अब यूज करता है। यदि कल GST Council तय करती है कि उसे 18 per cent कर देते हैं — I am just giving an illustrative example — अब आपको इस 13 per cent का benefit मिला, अब 13 per cent आपने अपनी जेब में डाल लिया या consumer को दिया। अगर आप कहें कि costing बढ़ गई, raw-material की कीमत बढ़ गई, इसलिए मैं 13 का 13 per cent pass on नहीं कर पाया, इसलिए मैंने केवल 2 per cent या 4 per cent pass on किया है। That may be a valid defence, but it is not correct to say that you can pocket the benefit that you get from tax reduction and a law can't provide for it. Therefore, an anti-profiteering provision has to be there. Now, which will be the body? The Council will consider whether this function can be given to the CCI or a separate group is to be created. Regarding the Council or a Committee, the Government won't adjudicate, or the tax officials won't adjudicate. Some independent quasi judicial body will adjudicate this and anti-profiteering clauses are there in most of these. Now, as I said, in nine out of ten cases, today, whether it is textile or biscuits, you know your present rate of taxation. You have to indulge in your arithmetical calculation and you are likely to come to the closest figure. इसलिए केवल आप biscuit बांट दें, उससे duty कम हो जाएगी, ऐसा नहीं होगा। यह arithmetic exercise होने वाली है। Unless the Council consciously comes to a decision that some amount will really require to be reduced. Transition phase में तकलीफ आएगी। यह obvious है कि तकलीफ होगी। इसलिए transition provisions हैं और इन provisions में कैसे duties दी गई हैं, क्योंकि यह साल के बीच में लागू हो रहा है और पहले कुछ महीनों के लिए penalties वगैरह waive off करना, ताकि लोगों को compliance में difficulties न हों, उसके लिए transition provisions का पूरा chapter है। MSME या कई ऐसे cases में जहां difficulties

आएंगी, इस बारे में question raise किया गया। Clause 128 में power to waive off difficulties है इसमें agricultural goods नहीं आने वाले हैं। इसलिए कपिल सिब्बल जी ने जो issue raise किया, वह registration provision का है कि उसे registration की आवश्यकता नहीं है। आज अगर agricultural products की zero rating है, तो Council की अभी तक की जो approach है, उसे देखकर संभावना यही है कि zero rating चलती रहेगी। इसलिए इसमें कोई agricultural goods आने वाली नहीं हैं। ...**(व्यवधान)**...

श्री कपिल सिब्बल: मैंने यह नहीं कहा था। मैंने कहा था कि इसके लिए तो exemption है, लेकिन अगर वह कोई ancillary activity करता है, दूध बेचता है, अंडे बेचता है और cow dung बेचता है या अपना tractor rent पर देता है, तो इन ancillary activities पर भी exemption है या नहीं?

श्री अरुण जेटली: मैं माननीय सदस्य के ध्यान में लाना चाहता हूँ कि जो आज exempted है, आप आश्वस्त रहें, वह exempted रहेगा। इसलिए यह GST के दायरे में नहीं आने वाला है। ...**(व्यवधान)**...

श्री कपिल सिब्बल: क्या किसान के द्वारा की जाने वाली ancillary activities भी इससे exempted रहेंगी?

श्री अरुण जेटली: आज जो ancillary exempted है, वह exempted ही रहेगी। इसलिए आपने clause 2(14) में जो परिभाषा पढ़ी, वह registration के लिए है, taxation के लिए नहीं।

श्री कपिल सिब्बल: कोई बात नहीं। अब हम आपकी बात मान लेते हैं।

श्री अरुण जेटली: इसलिए आप मानकर चलिए। This is also what my friend, Sitaramji, said. Those 31 people also represent federalism. They also have a shared sovereignty. They are as much elected as some of us are, and, therefore, they also have a concern of agriculturist and their State Governments. So, it can't be a situation that 31 Ministers from States and Union Territories come and they have all agreed to a formulation which is against the interests of the States itself.

SHRI SITARAM YECHURY: The problem that is coming up, which Shri Kapil Sibal also raised, is that if you have an ancillary product, like *ghee* is produced ...**(Interruptions)**... रामदेव जी का नाम मत लीजिए, If *ghee* is produced, that is a taxable thing. Now, if such taxes are there, will the agriculturist be exempted or will he be taxed? That is my question.

SHRI ARUN JAITLEY: Today, I can't speak for them, but I can give you an indication of what is being discussed there. The present *status quo* will continue, and, therefore, the Ministers there also have a very strong approach as far as protection of agriculturists is concerned. They need the votes of the agriculturists and they have the concern of the agriculturists no less than what me or you have. They are also closer to the agriculturists in their States. So, why should they be deciding against

[Shri Arun Jaitley]

them? As far as industry is concerned, we have had consultations at a very wide level itself. I really cannot restart this whole argument as to why the Constitution provided for Article 110 and so on. That is an issue, in the abstract, we will continue to discuss, as time passes by. But, today, all I can say is that in 2006, we embarked upon an idea, which looked very difficult. It ran into hurdles. We all have learnt from that experience, and, everyday, we have improved upon that idea. Today, it is the collective property of this country. At the draft stage also, the legal Committee had a larger participation of the State Governments when they drafted this.

श्री सुरेंद्र सिंह नागर: सर, एक प्वाइंट मेरा भी था। मैंने जो जिक्र किया, आपने किसानों की बात की, multiple taxation की बात की। अगर एक टैक्स आप लगा रहे हैं, तो स्टेट गवर्नमेंट को यह अधिकार है कि वह उस पर मंडी टैक्स लगा सकती है। जब आप एक टैक्स की बात कर रहे हैं, तो एक ही टैक्स किसी भी agricultural produce पर लगना चाहिए, मेरा यही सवाल है।

एक माननीय सदस्य: मंडी टैक्स नहीं लगना चाहिए। ...**(व्यवधान)**...

SHRI ARUN JAITLEY: I am sure that the Council will take all these issues into consideration. So, Sir, this has now matured into the shape of these Bills. The rules have been prepared, and, now, they have started working on the rates. In fact, I can share with you that one of the suggestions was that we must decide it in the month of May or June because in fixing rates, a lot of pressure and lobbying goes on, as people think it is an opportunity to reopen the whole thing. Therefore, the arithmetic formula and the rationale behind it has been made public. All the experts are now working on it. They are hearing people, and, then, the Council itself, in the month of May, will take its final decision on this.

SHRI ANAND SHARMA: Yesterday, I asked some queries on advance ruling assessment and audit. A model GST law should have a very clear mechanism. What we see, and, kindly enlighten us, is that the advance ruling will be in multiples, in the States where the registration takes place as well as in the Centre. Can't we have a centralized system where through the IGST mechanism, these issues, when it comes to State issues, can be duly addressed, and, at the same time, their compliance complications and tediousness is avoided? It is one of the issues that I had raised yesterday.

SHRI ARUN JAITLEY: Anand ji, if you see Chapter 17, Clause 9 onwards of the CGST law, there is an Advance Ruling Authority and an Appellate Authority over the Advance Ruling Authority, which itself has been created, and, this authority will be separate in every State because a very large number of these assessments are going to take place there, and the assesses are going to be in the States.

Mr. Yechury had raised the point of limit of ₹ 1.5 crore. And, one of the reasons why we agreed – contrary to the view of some of the officials in the Revenue Service, who had a different view – was that the service tax is being assessed today by the Centre, a large number of these small traders for VAT are being assessed in the States, and, suddenly, you don't want the entire machinery of the Centre to go from shop-to-shop assessing those people. So, 90:10 was the division, and, for above 1.5 crore, the division is 50:50. Bulk of the, quantum-wise, amounts are above 1.5 crore; volume-wise, it is there. So, the Advance Ruling Chapter...

SHRI ANAND SHARMA: The concern is also not only about goods but also about pan-Indian services. That is where the complication is.

SHRI ARUN JAITLEY: Therefore, I told you that under Clause 148, we have a special provision for a category of cases with regard to audit. Let us take an example. A large bank has to be audited; a large public-sector bank has to be audited. You can have a joint team of State and the Centre auditing the bank itself. For the purposes of registration, there is some inconvenience involved. I had strongly advocated a centralized registration; the banks and the insurance companies wanted centralized registration but the States had a different view. Therefore, the States' view prevailed. But then we had a via-media for the purposes of audit after that registration. For a class of cases, there can be a separate mode of audit itself to take care and to somehow dilute the hardship. So, we have an advance ruling provision itself. Now, these are all four legislations which have been unanimously approved by the Council. Therefore, Sir, I have tried to deal with most of the questions which have been raised.

SHRI SITARAM YECHURY: Before you conclude, may I ask one point? I am raising one concern, which I want you to answer, not for scoring points, but of concern because this is going to be a legislation that will remain for many generations, after we are not there also. One of the issues that have been of serious concern for us is the growth of economic imbalances that are regional. Today, you have a situation where it is a three, three, three — the three richer States are three times richer than the three poorer States. That is the Indian reality. Now, with a centralized tax, a generalized tax, such a pattern of economic imbalances is likely to continue to rise. What is the counter that you have thought of or what are the provisions in the future because now the tempering effect of having a Planning Commission also is not there for regional economic imbalances? So, how is it going to be incorporated within the framework of the GST? Have you thought about this? What do you think is the future roadmap?

6.00 P.M.

SHRI ARUN JAITLEY: Sir, there are two or three points which you may consider. GST, in that sense, is more equitable because it leans in favour of the consuming States being a destination tax. Therefore, inherently, the consuming States are going to benefit. If any State, consuming or producing, loses, its compensation is protected for some period of time. Then, how to compensate a State which has to grow? For instance, today you have North-Eastern Himalayan States. There is a special provision which the Finance Commission then makes. There is an extreme category which has also been provided. Supposing some State faces a challenge, a drought, a flood, what do you do? Does it unilaterally increase its SGST? There is a procedure. The Council then can, considering the special circumstances of the State, permit them. So, these are in-built mechanisms which have been created in the Council itself.

श्री दिग्विजय सिंह (मध्य प्रदेश): सर, मैं आपके माध्यम से माननीय मंत्री जी का ध्यान इस ओर आकर्षित करना चाहता हूँ कि अभी किसी भी व्यापारी को साल में केवल चार बार रिटर्न भरना पड़ता है, लेकिन नए बिल के अनुसार अब 37 रिटर्न्स भरने पड़ेंगे। क्या माननीय मंत्री जी इसके बारे में कुछ जानकारी देंगे?

श्री अरुण जेटली: इस कानून में भी इसका प्रावधान है, जो आपने कल quarterly returns का point raise किया था। इसमें भी quarterly returns का प्रावधान है और इसलिए जो सारा का सारा सिस्टम धीरे-धीरे ऑनलाइन होगा, उससे सहूलियत बढ़ेगी, कम नहीं होगी।

श्री दिग्विजय सिंह: इसके अनुसार आपको मंथली 3 रिटर्न्स देने हैं, 10 तारीख को, 15 तारीख को और 20 तारीख को देने हैं और उसके बाद annual return अलग देना है। Please verify. ...*(Interruptions)*...

SHRI NARESH GUJRAL: Sir, if later on it is found that he had not defrauded the State or the Exchequer for more than rupees five crores and he has suffered imprisonment for a long period, what action will be taken against the officers who passed this order? Would the same provisions be also applicable to the officers? Otherwise, there will be a lot of corruption if the deterrent is not put in. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Okay. Now, I shall put the motion regarding the consideration of the Central Goods and Services Tax Bill, 2017 to vote. The question is:

"That the Bill to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and the matters connected therewith or incidental thereto, as passed by Lok Sabha, be taken into consideration."

The motion was adopted.

MR. DEPUTY CHAIRMAN: Now, we shall take up Clause-by-Clause consideration of the Bill.

Clauses 2 to 5 were added to the Bill.

MR. DEPUTY CHAIRMAN: Now, we shall take up Clause 6. In Clause 6, there is one Amendment (No.19) by Shri Vivek K. Tankha.

SHRI VIVEK K. TANKHA (Madhya Pradesh): Sir, I have seven Amendments. Can I quickly suggest something here? I would not be moving them. I would quickly go through the Amendments. I would finish it in one minute. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Listen to me. ...*(Interruptions)*... Are you moving the Amendment?

SHRI VIVEK K. TANKHA: Sir, I am not moving the Amendment. I just want to place it before the Finance Minister. ...*(Interruptions)*... It will take a few seconds. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Okay.

SHRI VIVEK K. TANKHA: Hon. Finance Minister, I have brought this particular Amendment only to highlight that ultimately you need an all-India service if you want to have a seamless transaction. You will need an all-India cadre. If you have two systems working, sooner or later there will be problems within the two systems. I am sure about it. What you have done here is this. Once the State takes notice of a transaction, the Centre cannot take notice of that later. So, what the State offices will do is this. They will immediately give as many notices as possible to keep the transactions with them and disempower the Centre. This is something which you have to take into consideration.

MR. DEPUTY CHAIRMAN: Are you moving the Amendment?

SHRI VIVEK K. TANKHA: Sir, I am not moving the Amendment.

Clause 6 was added to the Bill.

MR. DEPUTY CHAIRMAN: Now, we shall take up Clause 7. In Clause 7, there are two Amendments; Amendment (No.1) by Shri Derek O'Brien and Amendment (No.4) by Shri Jairam Ramesh.

Shri Derek O'Brien, are you moving the Amendment? Okay, move your Amendment.

CLAUSE 7 – SCOPE OF SUPPLY

SHRI DEREK O'BRIEN: Sir, I beg to move:—

1. That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Central Goods and Services Tax Bill, 2017, as passed by Lok Sabha, namely;—

"That at page 13, lines 17 and 18, *for* the words "as may be notified by the Government on the recommendations of the Council", the words "as may be passed by the Houses of Parliament on the recommendations of the Council" be *substituted*.

This has been a long journey of 17 years for this Bill. And the last five years also...*(Interruptions)*... Sir, please give me one or two minutes to express myself on the Amendment.

Sir, today, actually all of us here should be feeling like a couple married for 17 years and after many efforts ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Come to the Amendment.

SHRI DEREK O'BRIEN: Yes, Sir. And after many efforts produced a baby. ...*(Interruptions)*... That is not the part of the Amendment. ...*(Interruptions)*... We have been part of the GST since 2000 and have been consistently supporting the GST ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Speak about the Amendment. ...*(Interruptions)*...

SHRI DEREK O'BRIEN: Sir, one minute. ...*(Interruptions)*... We understand... *(Interruptions)*... Let me finish. ...*(Interruptions)*... The Congress Party would have moved the same Amendment after me ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Speak about the Amendment.

SHRI DEREK O'BRIEN: Sir, the GST Council is a very good idea; the way it has been composed and the way it expresses itself, there is no doubt about that and full credit goes to the Finance Minister for making it happen.

MR. DEPUTY CHAIRMAN: Then there is no need for the Amendment.

SHRI DEREK O'BRIEN: And it supports the federal structure. My Amendment simply says that whatever the GST Council recommends that should touch the Parliament once. We should not bypass the Parliament.

MR. DEPUTY CHAIRMAN: Are you pressing your Amendment?

SHRI DEREK O'BRIEN: One minute, Sir. Let me finish. We must not bypass the Parliament even though the GST Council has a strong federal structure. As it is, we have started bypassing one House ...(Interruptions)...

MR. DEPUTY CHAIRMAN: Are you pressing your Amendment now?

SHRI DEREK O'BRIEN: Yes, Sir. I am pressing for the Amendment.

MR. DEPUTY CHAIRMAN: I shall now put the Amendment (No.1) moved by Shri Derek O'Brien to vote.

SHRI DEREK O'BRIEN: Sir, I want division. ...(Interruptions)... Sir, we are all for the GST. ...(Interruptions)... No, no. ...(Interruptions)... Let me finish. ...(Interruptions)... Sir, we asked for division. ...(Interruptions)...

SHRI JAIRAM RAMESH: Sir, what about my Amendment? ...(Interruptions)...

MR. DEPUTY CHAIRMAN: After this. ...(Interruptions)... I have to dispose it of first. Only then can I come to you. ...(Interruptions)... I know that it is there. ...(Interruptions)... Do you want to say something? ...(Interruptions)... Hon. Members, I have not yet ordered the division.

SHRI ARUN JAITLEY: Sir, may I request my friend, Mr. Derek O'Brien, to reconsider it? I will give reason for it. Plenary power is there with the Parliament and also with the State Assemblies. Nobody is disputing that. So, under Article 279A, the GST Council will recommend. They have recommended a law. It has come before Parliament and, therefore, Parliament is not bypassed. When GST Council fixes the rate, every State will have to place it before itself in its budgetary provision saying that this is the provision. So, it will come up for discussion. And if a State or the Centre has any issues, they will go to the Council through their representative. The consequence, please understand it, of doing otherwise would be this. Let us say that the Central Parliament says, "I am overruling the decision of the Council and fixing the rates somewhat different." State Assemblies will also say that. The moment we set that practice, we can forget GST. Please understand that. This is the first-ever decision of the Council which is coming up for Parliamentary ratification and, therefore, if in the very first decision itself, we start disagreeing with the draft of the Council itself, then what is the precedent that we are going to create for the States? Tomorrow, it comes up before the West Bengal Assembly; it goes before the Jharkhand Assembly. Everybody will make its own amendments. I am not saying that you don't have the power. Certainly, it is before you. The plenary power is yours. But, we should be guided by that federal arrangement which we have made.

[Shri Arun Jaitley]

If we have any good suggestions to make to the contrary, we will make it there through our representative. But, let us not unilaterally upset that federal arrangement because if we start upsetting that federal arrangement, then it will become impossible to implement it. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Now, what do you have to say in the light of this explanation? ...*(Interruptions)*...

SHRI DEREK O'BRIEN: Sir, I will respond to him. ...*(Interruptions)*... We are having a healthy debate. Sir, when the GST Council wanted the rate to be hardcoded into the Bill on December the 2nd, 2016, the hon. Finance Minister said this and I quote from page 9, section 8. Sir, I quote, "This provision would suffer from the vice of excessive delegation." This is what the hon. Finance Minister said in the meeting. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Now, he has explained his position. ...*(Interruptions)*.. Go by the present explanation. ...*(Interruptions)*... Don't go back. ...*(Interruptions)*...

SHRI DEREK O'BRIEN: Sir, I am only pointing out very humbly to the hon. Finance Minister. These are his words at the meeting about the vice of excessive delegation. Sir, I stand by what we are saying. We are moving. We want a division.

MR. DEPUTY CHAIRMAN: So, you are seeking division. ...*(Interruptions)*...

SHRI JAIRAM RAMESH: Sir, what about my amendment? ...*(Interruptions)*... Let me say what I have to say. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: You have not moved. ...*(Interruptions)*...

SHRI JAIRAM RAMESH: Sir, let me speak. ...*(Interruptions)*... The amendment is the same. Let me speak. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Okay, is it the same? ...*(Interruptions)*... All right. ...*(Interruptions)*...

SHRI JAIRAM RAMESH: Sir, the amendment is the same, but the outcome may be different. Hold on for a minute. Sir, I had brought forward this amendment. ...*(Interruptions)*... Sir, if I can have some silence, I can explain the situation. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: You have not moved it. ...*(Interruptions)*... First of all, you say that. You go by what the Chair says. ...*(Interruptions)*...

SHRI JAIRAM RAMESH: Sir, please listen to me. ...*(Interruptions)*... It's the

same amendment that I had brought forward. ...*(Interruptions)*... I wanted it because of a feeling that all of us had that Parliament, particularly this House, was consistently being bypassed or taken for granted. It happened in the case of the Aadhaar Bill; it happened in the case of the Finance Bill. We believe strongly that these Bills should have been debated in this House. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: No, that is not the issue here. What is your amendment? ...*(Interruptions)*...

SHRI JAIRAM RAMESH: Sir, one minute. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: No, no, I cannot allow this. ...*(Interruptions)*... You say what your amendment is. ...*(Interruptions)*...

SHRI JAIRAM RAMESH: Derek, please let me finish. ...*(Interruptions)*... One second please. ...*(Interruptions)*... Let me finish. ...*(Interruptions)*... Let me explain. ...*(Interruptions)*... You have explained. Let me explain. ...*(Interruptions)*... If I can have the hon. Finance Minister's attention please, Sir, I gave notice for this amendment that whatever is the decision of the GST Council, it has to be passed by Parliament. However, yesterday, the former Finance Minister and the former Prime Minister.....*(Interruptions)*...

MR. DEPUTY CHAIRMAN: No, no. ...*(Interruptions)*... It is not permitted. ...*(Interruptions)*... You have to.....*(Interruptions)*...

SHRI JAIRAM RAMESH: Sir, please listen to me. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: No; this is not the way. ...*(Interruptions)*...

SHRI JAIRAM RAMESH: Sir, please listen to me. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: I cannot because I did not call you, first of all, you know. ...*(Interruptions)*...

SHRI JAIRAM RAMESH: No. ...*(Interruptions)*... It has a very longer. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: You sit down. ...*(Interruptions)*... You sit down there. ...*(Interruptions)*...

SHRI JAIRAM RAMESH: Sir, it has a very longer division. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: No; Mr. Jairam Ramesh. ...*(Interruptions)*... You sit down there. ...*(Interruptions)*...

SHRI JAIRAM RAMESH: Please listen to me. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: You sit down there. ...*(Interruptions)*... Please. ...*(Interruptions)*... I will allow every Member, who has given notice for amendments, to have their say. ...*(Interruptions)*... But he should wait for my calling him. ...*(Interruptions)*... Without my calling, he stands up and is explaining. ...*(Interruptions)*...

SHRI JAIRAM RAMESH: It has a very longer division. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: That is what I am saying. ...*(Interruptions)*... You wait for.....*(Interruptions)*...

SHRI JAIRAM RAMESH: Just two minutes. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: I never said, I will not come to you. ...*(Interruptions)*... If everybody behaves like this, what do I do? ...*(Interruptions)*... Whatever opportunity I gave to Mr. Derek O'Brien, I would have given to you. ...*(Interruptions)*... But you are not patient. ...*(Interruptions)*...

SHRI JAIRAM RAMESH: Sir, it has a very longer division. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: No; that is what I am saying. ...*(Interruptions)*... You sit down. ...*(Interruptions)*... First of all, you have not moved. You have only given notice. If you move, you must say, I move or do not move. Then, you speak about the amendment. Not anything else. ...*(Interruptions)*...

SHRI JAIRAM RAMESH: Listen to me, Sir. ...*(Interruptions)*... I am speaking about the amendment. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: You speak about the amendment. ...*(Interruptions)*...

SHRI JAIRAM RAMESH: Sir, please listen to me. ...*(Interruptions)*... I am speaking about the amendment. ...*(Interruptions)*... Please listen to me. ...*(Interruptions)*...

SHRI TAPAN KUMAR SEN (West Bengal): Both are identical amendments. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: He wants to say. ...*(Interruptions)*... What can I do?

SHRI TAPAN KUMAR SEN: It should be taken up together. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: I will decide that. ...*(Interruptions)*... Who are you to decide? ...*(Interruptions)*...

SHRI JAIRAM RAMESH: Please listen to me. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: I will decide that. *...(Interruptions)...* Sit down. *...(Interruptions)...* I know what to do. *...(Interruptions)...* Sit down. *...(Interruptions)...*

SHRI TAPAN KUMAR SEN: Sir, I am here to suggest. *...(Interruptions)...*

MR. DEPUTY CHAIRMAN: You sit down. *...(Interruptions)...* I know what to do. *...(Interruptions)...*

SHRI JAIRAM RAMESH: Sir, yesterday, the former Prime Minister advised me not to move the amendment because it will disturb the fine consensus that has been arrived at in the GST Council. It is the former Prime Minister who told me, “Don’t do this because this will send a wrong signal on the new federal framework.” I think, Sir, in deference to what the former Prime Minister said, in spite of the former Prime Minister being at the receiving end of the jibes of his successor, including raincoats and what not, I think, — Sir, please listen to me — with the statesman like approach, the former Prime Minister Dr. Manmohan Singh, has advised me not to move this amendment in keeping with the spirit of consensus, to maintain the federal framework and to give respect to the GST Council. So, I am not moving this amendment at all.

MR. DEPUTY CHAIRMAN: Okay. Shri Jairam Ramesh did not move. Now, Mr. Derek O’Brien, you have moved. Are you pressing?

SHRI DEREK O’BRIEN: Sir, I will say one sentence and I am pressing. Yes, Sir. I only wish that Mr. Jairam Ramesh and his friends had discussed with the former Prime Minister last week in the Lok Sabha because the Congress Party moved the same amendment in the Lok Sabha. *...(Interruptions)...*

MR. DEPUTY CHAIRMAN: No, no. *...(Interruptions)...* Please. *...(Interruptions)...* Okay; sit down. *...(Interruptions)...*

SHRI DEREK O’BRIEN: One week, too late! *...(Interruptions)...* Yes, Sir, we are moving. *...(Interruptions)...*

MR. DEPUTY CHAIRMAN: Okay. In that case, I shall now put the Amendment moved by Shri Derek O’Brien to vote.

SHRI DEREK O’BRIEN: Sir, I want division.

MR. DEPUTY CHAIRMAN: Okay; division. Let the lobbies be cleared.

The House divided.

MR. DEPUTY CHAIRMAN: Ayes: 010

Noes: 115

Abstain: 009

AYES – 10

Bandyopadhyay, Shri D.

Chowdhury, Prof. Jogen

Gupta, Shri Manish

Gupta, Shri Vivek

Haque, Shri Md. Nadimul

Hassan, Shri Ahamed

O'Brien, Shri Derek

Roy, Shri Sukhevdu Sekhar

Sen, Ms. Dola

Singh, Dr. Kanwar Deep

NOES : 115

Abraham, Shri Joy

Akbar, Shri M. J.

Anand Sharma, Shri

Antony, Shri A. K.

Athawale, Shri Ramdas

Azad, Shri Ghulam Nabi

Babbar, Shri Raj

Balmuchu, Dr. Pradeep Kumar

Batra, Shri Shadi Lal

Bhattacharya, Shri P.

Budania, Shri Narendra

Chandrasekhar, Shri Rajeev

Chhatrapati, Shri Sambhaji

Chowdary, Shri Y. S.

Chowdhury, Shrimati Renuka

Daimary, Shri Biswajit
Dalwai, Shri Husain
Dhindsa, Sardar Sukhdev Singh
Dudi, Shri Ram Narain
Dullo, Shri Shamsher Singh
Dungarpur, Shri Harshvardhan Singh
Dwivedi, Shri Janardan
Fernandes, Shri Oscar
Ganesan, Shri La.
Ganguly, Shrimati Roopa
Gehlot, Shri Thaawar Chand
Goel, Shri Vijay
Gohel, Shri Chunibhai Kanjibhai
Gowda, Prof. M. V. Rajeev
Goyal, Shri Piyush
Gujral, Shri Naresh
Hariprasad, Shri B. K.
Harivansh, Shri
Irani, Shrimati Smriti Zubin
Jain, Shri Meghraj
Jaitley, Shri Arun
Jangde, Dr. Bhushan Lal
Jatiya, Dr. Satyanarayan
Javadekar, Shri Prakash
Judev, Shri Ranvijay Singh
Kalita, Shri Bhubaneswar
Kashyap, Shri Ram Kumar
Khan, Shri K. Rahman
Khan, Shri Mohd. Ali
Kore, Dr. Prabhakar

Kujur, Shri Santiuse
Mahatme, Dr. Vikas
Mahra, Shri Mahendra Singh
Malik, Shri Shwait
Mandaviya, Shri Mansukh L.
Manhas, Shri Shamsher Singh
Mathur, Shri Om Prakash
Misra, Shri Satish Chandra
Mistry, Shri Madhusudan
Mukut Mithi, Shri
Nadda, Shri Jagat Prakash
Nagar, Shri Surendra Singh
Naidu, Shri M. Venkaiah
Naqvi, Shri Mukhtar Abbas
Netam, Shri Ram Vichar
Nirmala Sitharaman, Shrimati
Nishad, Shri Vishambhar Prasad
Panchariya, Shri Narayan Lal
Pandya, Shri Dilipbhai
Patil, Shri Basawaraj
Patil, Shrimati Rajani
Perween, Shrimati Kahkashan
Poddar, Shri Mahesh
Prabhu, Shri Suresh
Pradhan, Shri Dharmendra
Punia, Shri P. L.
Rajaram, Shri
Ramamurthy, Shri K. C.
Ramesh, Shri Jairam

Rangasayee Ramakrishna, Shri
Rao, Dr. K. Keshava
Rapolu, Shri Ananda Bhaskar
Ravi, Shri Vayalar
Reddy, Dr. T. Subbarami
Rupala, Shri Parshottam
Sable, Shri Amar Shankar
Sahasrabuddhe, Dr. Vinay P.
Sancheti, Shri Ajay
Seetharama Lakshmi, Shrimati Thota
Selja, Kumari
Shukla, Shri Shiv Pratap
Singh, Shri Amar
Singh, Chaudhary Birender
Singh, Shri Digvijaya
Singh, Shri Gopal Narayan
Singh, Dr. Manmohan
Singh, Shri Veer
Sinh, Dr. Sanjay
Sinha, Shri R. K.
Soni, Shrimati Ambika
Suresh Gopi, Shri
Swamy, Shri A. V.
Syiem, Shrimati Wansuk
Tamta, Shri Pradeep
Tankha, Shri Vivek K.
Thakur, Dr. C. P.
Thakur, Shri Ram Nath
Tiwari, Shri Alok

Tiwari, Shri Pramod
Tlau, Shri Ronald Sapa
Tundiya, Mahant Shambhuprasadji
Vadodia, Shri Lal Sinh
Vegad, Shri Shankarbhai N.
Venkatesh, Shri T. G.
Verma, Shrimati Chhaya
Verma, Shri Ramkumar
Verma, Shri Ravi Prakash
Vora, Shri Motilal
Yadav, Shri Bhupender

The Amendment (No. 1) was negatived.

MR. DEPUTY CHAIRMAN: Shri Jairam Ramesh has not moved it. Therefore, ...*(Interruptions)*...

SHRI JAIRAM RAMESH: Sir, I also explained. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: You have already explained it. In spite of me, you explained it.

Clause 7 was added to the Bill.

Clause 8 was added to the Bill.

MR. DEPUTY CHAIRMAN: In Clause 9, there are four Amendments; Amendments (Nos. 2 and 3) by Shri Derek O'Brien and Amendments (Nos. 5 and 6) by Shri Jairam Ramesh. Shri Derek O'Brien, are you moving it?

CLAUSE 9 - LEVY AND COLLECTION

SHRI DEREK O'BRIEN: Sir, I move:

2. That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Central Goods and Services Tax Bill, 2017, as passed by Lok Sabha, namely:—

"That at page 13, lines 34 and 35, *for* the words "as may be notified by the Government on the recommendations of the Council", the words "as may be passed by the Houses of Parliament on the recommendations of the Council" be *substituted*.

3. That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Central Goods and Services Tax Bill, 2017, as passed by Lok Sabha, namely:—

"That at page 13, lines 39 and 40, *for* the words "as may be notified by the Government on the recommendations of the Council", the words "as may be passed by the Houses of Parliament on the recommendations of the Council" be *substituted*.

MR. DEPUTY CHAIRMAN: Shri Jairam Ramesh, are you moving it?

SHRI JAIRAM RAMESH: Can I explain again?

MR. DEPUTY CHAIRMAN: No, no. There is no need. Your explanation is applicable to all amendments.

SHRI JAIRAM RAMESH: Sir, it was Dr. Manmohan Singh who had persuaded me not to move the Amendments.

MR. DEPUTY CHAIRMAN: Actually, it is tutoring by another hon. Member, but, I accept it.

SHRI SITARAM YECHURY: Sir, you should ask a relevant question. Why is he absolving the responsibility and putting it on Dr. Manmohan Singh?

MR. DEPUTY CHAIRMAN: Yes, he is doing that.

SHRI SITARAM YECHURY: Why are you doing that? That is not fair.

MR. DEPUTY CHAIRMAN: Yes, he is passing the buck on others.

SHRI JAIRAM RAMESH: Sir, I am trying to highlight the difference between the former Prime Minister, who is a statesman and the present Prime Minister, who is a politician.

THE MINISTER OF URBAN DEVELOPMENT; THE MINISTER OF HOUSING AND URBAN POVERTY ALLEVIATION; AND THE MINISTER OF INFORMATION AND BROADCASTING (SHRI M. VENKAIAH NAIDU): What about your leader? What is your advice? ...(*Interruptions*)...

MR. DEPUTY CHAIRMAN: Shri Derek O'Brien has moved the Amendment and Shri Jairam Ramesh did not move the Amendment. I put the Amendment (Nos. 2 and 3), moved by Shri Derek O'Brien to vote.

The Amendments (Nos. 2 and 3) were negatived.

Clause 9 was added to the Bill.

Clause 10 was added to the Bill.

MR. DEPUTY CHAIRMAN: In Clause 11 there is one Amendment (No. 8) by Dr. T. Subbarami Reddy. He is absent. So, Amendment not moved.

Clause 11 was added to the Bill.

Clauses 12 to 24 were added to the Bill.

MR. DEPUTY CHAIRMAN: Now we take up Clause 25. There is one Amendment (No. 9) by Dr. T. Subbarami Reddy. He is absent. Mr. Jairam Ramesh has advised Dr. T. Subbarami Reddy to remain absent. ...*(Interruptions)*... Amendment not moved.

Clause 25 was added to the Bill.

Clauses 26 to 34 were added to the Bill.

MR. DEPUTY CHAIRMAN: Now we take up Clause 35. In Clause 35, there is one Amendment (No.7) by Shri T. K. Rangarajan and Shri Tapan Kumar Sen. Both of you have the same Amendment. One of you can move.

CLAUSE 35 – ACCOUNTS AND OTHER RECORDS

SHRI T.K. RANGARAJAN: Sir, I move:—

7. That the Rajya Sabha recommends to the Lok Sabha that the Following amendment be made in the Central Goods and Services Tax Bill, 2017 as passed by Lok Sabhe, namely:—

“That at page 31, line 22, *for* the words “registered person The words "taxable person" be *substituted*.

MR. DEPUTY CHAIRMAN: I now put the Amendment (No. 7), moved by Shri T. K. Rangarajan and Shri Tapan Kumar Sen to vote.

The Amendment (No. 7) was negatived.

Clause 35 was added to the Bill.

Clauses 36 to 41 were added to the Bill.

MR. DEPUTY CHAIRMAN: Now, we shall take up Clause 42. There is one Amendment (No.20) by Shri Vivek K. Tankha. Are you moving?

SHRI VIVEK K. TANKHA: Sir, I am not moving. I am just suggesting. I want to inform the hon. Finance Minister that in Clause 42, he has to match the inward invoices between the supplier and the purchaser. Unless they get matched, the purchaser doesn't get the credit. Now, with billions of invoices and debit notes coming, it is going to be a nightmare. Nowhere in the world this system has been accepted, not even in the U.S. The only place where it was accepted was in China

in one province and they gave it up. On this basis, you must try and formulate a policy so that these invoices can be accepted and not create trouble.

MR. DEPUTY CHAIRMAN: So, you are not moving the Amendment!

SHRI VIVEK K. TANKHA: I am not moving.

MR. DEPUTY CHAIRMAN: Okay.

Clause 42 was added to the Bill.

Clauses 43 to 60 were added to the Bill.

MR. DEPUTY CHAIRMAN: I shall now take up Clause 61. There is one Amendment (No. 10) by Dr. T. Subbarami Reddy. He is absent, so the Amendment not moved.

Clause 61 was added to the Bill.

Clauses 62 to 65 were added to the Bill.

MR. DEPUTY CHAIRMAN: I shall now take up Clause 66. There is one Amendment (No.11) by Dr. T. Subbarami Reddy. He is absent, so the Amendment not moved.

Clause 66 was added to the Bill.

Clauses 67 to 77 were added to the Bill.

MR. DEPUTY CHAIRMAN: I shall now take up Clause 78. There is one Amendment (No. 12) by Dr. T. Subbarami Reddy. He is absent, so the Amendment not moved.

Clause 78 was added to the Bill.

Clauses 79 to 107 were added to the Bill.

MR. DEPUTY CHAIRMAN: I shall now take up Clause 108. There is one Amendment (No. 21) by Shri Vivek K. Tankha. Are you moving?

SHRI VIVEK K. TANKHA: I am not moving. But I want to put it across to the Finance Minister. It is a very serious issue. In this Clause you have given the power of revision against the orders of the assessing authority which is limited to only when it is prejudicial to the interest of the revenue. That means, every Assessing Officer would like to assess and impose a tax and, then, make sure that there is no revision. Ordinarily, in taxes, revision is available for both sides. If you accept the case of the assessee and the Department wants to go in for a revision, it can

[Shri Vivek K. Tankha]

go; and if the assessee wants to go, even that is allowed. Here, what is happening is, it is only when there is a prejudice to the revenue, that a revision is allowed, which means the Department would help the assessee and the assessee would not be able to have his say.

MR. DEPUTY CHAIRMAN: So, you are not moving it.

SHRI VIVEK K. TANKHA: No, Sir.

MR. DEPUTY CHAIRMAN: Amendment not moved.

Clause 108 was added to the Bill.

Clause 109 was added to the Bill.

MR. DEPUTY CHAIRMAN: In Clause 110, there are four Amendments (Nos. 22 to 25) by Shri Vivek Tankha. Are you moving?

SHRI VIVEK K. TANKHA: Sir, what has happened is, when the President retires, you will make the senior-most member the officiating President. This would be in both cases, during his absence or on his resignation, that is, illness or resignation. Now, it should be a judicial member; it should not be a technical member, because it is a judge who should always preside. Do not give it to the technical member, otherwise it would lose its flavour.

Number two, in NCLT, the same issue arose, of how to select these people. For judicial members, you have said that it would be done in consultation with the CJI. Now, that is too loose. Like in the NCLT, recently, you brought in a committee for which you had said there would be a Supreme Court Judge, a nominee of the Chief Justice, a nominee of the Law Ministry and a nominee of the Finance Ministry so that there is a formal hierarchy, there are minutes and so on. Similarly, for technical members, there is no consultation with the judiciary. ...*(Interruptions)*...

SHRI SUKHENDU SEKHAR ROY: Sir, I have a point of order.

MR. DEPUTY CHAIRMAN: At this point, there can be no point of order. Once you are in the process of Clause-by-Clause consideration, there can be no point of order.

SHRI VIVEK K. TANKHA: The problem is that all technical members ...*(Interruptions)*... all over India would be appointed by the Governments, and the Governments are the biggest assessee.

MR. DEPUTY CHAIRMAN: Okay. Sit down. But you are not moving it. Isn't it?

SHRI VIVEK K. TANKHA: No. I am not moving it. But I am saying that there is a great danger.

MR. DEPUTY CHAIRMAN: I was saying that once you are in the process of...

SHRI SUKHENDU SEKHAR ROY: Just a minute, Sir. Rule 103, which relates to withdrawal of amendments, does not prescribe any speech for withdrawal of any amendment. ...(Interruptions)...

MR. DEPUTY CHAIRMAN: Well, Sukhendu Sekharji, once a Member moves an Amendment, he can explain it. But he wants to withdraw it, so we give him an opportunity to make his point.

SHRI SUKHENDU SEKHAR ROY: But, Sir, in case of withdrawal, there cannot be any justification.

MR. DEPUTY CHAIRMAN: He is explaining why he is withdrawing. Anyway, it is okay. Amendment not moved.

Clause 110 was added to the Bill.

Clauses 111 to 125 were added to the Bill.

MR. DEPUTY CHAIRMAN: In Clause , there is one Amendment (No. 13) by Dr. Subbarami Reddy. He is absent. So, the Amendment is not moved.

Clause 126 was added to the Bill.

Clauses 127 and 128 were added to the Bill.

MR. DEPUTY CHAIRMAN: We now take up Clause 129. There are three Amendments (Nos. 14 to 16) by Dr. Subbarami Reddy. But he is absent and the Amendments are not moved.

Clause 129 was added to the Bill.

Clauses 130 and 131 were added to the Bill.

MR. DEPUTY CHAIRMAN: In Clause 132, there are two Amendments (Nos. 17 and 18) by Dr. T. Subbarami Reddy. He is absent, therefore, Amendments not moved.

Clause 132 was added to the Bill.

Clauses 133 to 174, the First Schedule, the Second Schedule and the Third Schedule were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI ARUN JAITLEY: Sir, I move:—

That the Bill be returned.

The question was put and the motion was adopted.

MR. DEPUTY CHAIRMAN: I shall now put the motion regarding the consideration of the Integrated Goods and Services Tax Bill, 2017 to vote. The question is:—

That the Bill to make a provision for levy and collection of tax on inter-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto, as passed by Lok Sabha, be taken into consideration.

The motion was adopted.

MR. DEPUTY CHAIRMAN: We shall now take up clause-by-clause consideration of the Bill.

Clause 2 was added to the Bill.

MR. DEPUTY CHAIRMAN: In Clause 3, there is one Amendment (No. 8) by Dr. T. Subbarami Reddy. Not present, therefore, Amendment not moved.

Clause 3 was added to the Bill.

Clause 4 was added to the Bill.

MR. DEPUTY CHAIRMAN: In Clause 5, there are six Amendments; Amendment (No. 1) by Shri Jairam Ramesh. Mr. Jairam Ramesh, are you moving?

SHRI JAIRAM RAMESH: I am not moving but I would like to request the hon. Finance Minister to consider the suggestion that I had given yesterday for having a small, compact, independent professional Secretariat for the GST Council so that there is an arm length relationship between the GST Council and the Centre and the GST Council and the States.

MR. DEPUTY CHAIRMAN: All right, Amendment not moved. Amendments (Nos.4 to 7) by Shri Derek O'Brien. Are you moving?

SHRI DEREK O'BRIEN: I am moving my Amendments. ...*(Interruptions)*... I will say only two sentences. ...*(Interruptions)*... When I am moving, I am allowed to speak. ...*(Interruptions)*... Sir, we are hundred per cent for GST, we are hundred per cent for the supremacy of Parliament. I am moving it for these two reasons. I move:—

4. That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Integrated Goods and Services Tax Bill, 2017,

as passed by Lok Sabha, namely:—

"That at page 4, lines 37 and 38, *for* the words "as may be notified by the Government on the recommendations of the Council", the words "as may be passed by the Houses of Parliament on the recommendations of the Council" be *substituted*.

5. That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Integrated Goods and Services Tax Bill, 2017, as passed by Lok Sabha, namely:—

"That at page 4, lines 46 and 47, *for* the words "as may be notified by the Government on the recommendations of the Council", the words "as may be passed by the Houses of Parliament on the recommendations of the Council" be *substituted*.

6. That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Integrated Goods and Services Tax Bill, 2017, as passed by Lok Sabha, namely:—

"That at page 5, line 1, *for* the words "The Government may, on the recommendations of the Council, by notification,", the words "The Houses of Parliament may, on the recommendations of the Council" be *substituted*.

7. That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Integrated Goods and Services Tax Bill, 2017, as passed by Lok Sabha, namely:—

"That at page 5, line 11, *for* the words "The Government may, on the recommendations of the Council, by notification,", the words "The Houses of Parliament may, on the recommendations of the Council" be *substituted*.

MR. DEPUTY CHAIRMAN: Amendment (No. 9) is by Dr. T. Subbarami Reddy. He is absent. So, the Amendment not moved. So, I put Amendment (Nos. 4 to 7), moved by Shri Derek O'Brien to vote.

The Amendments (Nos .4 to 7) were negatived.

Clause 5 was added to the Bill.

MR. DEPUTY CHAIRMAN: In Clause 6, there is one Amendment (No. 10) by Dr. T. Subbarami Reddy; he is not present. So, Amendment not moved.

Clause 6 was added to the Bill.

Clauses 7 to 15 were added to the Bill.

CLAUSE 16-ZERO RATED SUPPLY

MR. DEPUTY CHAIRMAN: In Clause 16, there are two Amendments; Amendments (Nos. 2 and 3) by Shri T. K. Rangarajan and Shri Tapan Kumar Sen. Are you moving the Amendments?

SHRI T. K. RANGARAJAN (Tamil Nadu): Yes, Sir, we want to move.

SHRI TAPAN KUMAR SEN: Sir, just two minutes. We are moving these Amendments. It relates to the granting of input tax credit under any value added tax system including GST. And, in this respect, if my Amendments are not accepted, many of our public sector units, particularly, oil companies, will be under a losing position in the long run. With the overall national interest, I request that my both the Amendments should be accepted. So, I move:—

2. That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Integrated Goods and Services Tax Bill, 2017, as passed by Lok Sabha, namely:—

"That at page 13, line 21, *for* the words "following supplies", the words "following taxable supplies" be *substituted*.

3. That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Integrated Goods and Services Tax Bill, 2017, as passed by Lok Sabha, namely:—

"That at page 13, line 28, *after* the words "exempt supply", the words "other than non-taxable supply" be *inserted*.

MR. DEPUTY CHAIRMAN: I now put the Amendment (Nos. 2 and 3) by Shri Tapan Kumar Sen and Shri T.K. Rangarajan to vote.

SHRI TAPAN KUMAR SEN: Sir, Division.

MR. DEPUTY CHAIRMAN: Really!

SHRI T.K. RANGARAJAN: Yes, Sir. If this explanation is accepted, then the public sector oil companies can be saved. It is for the Government to respond. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Are you pressing for Division?

SHRI T. K. RANGARAJAN: Yes, Sir.

The House divided.

MR. DEPUTY CHAIRMAN: Ayes : 009
Noes : 112
Abstain : 008
AYES : 9

Baidya, Shrimati Jharna Das

Banerjee, Shri Ritabrata

Narayanan, Shri C. P.

Ragesh, Shri K. K.

Raja, Shri D.

Rangarajan, Shri T. K.

Sen, Shri Tapan Kumar

Somaprasad, Shri K.

Yechury, Shri Sitaram

NOES: 112

Abraham, Shri Joy

Akbar, Shri M. J.

Anand Sharma, Shri

Antony, Shri A. K.

Athawale, Shri Ramdas

Azad, Shri Ghulam Nabi

Babbar, Shri Raj

Balnuchu, Dr. Pradeep Kumar

Batra, Shri Shadi Lal

Bhattacharya, Shri P.

Budania, Shri Narendra

Chandrasekhar, Shri Rajeev

Chhatrapati, Shri Sambhaji

Chowdary, Shri Y. S.

Chowdhury, Shrimati Renuka
Daimary, Shri Biswajit
Dalwai, Shri Husain
Desai, Shri Anil
Dhindsa, Sardar Sukhdev Singh
Dudi, Shri Ram Narain
Dullo, Shri Shamsher Singh
Dungarpur, Shri Harshvardhan Singh
Dwivedi, Shri Janardan
Fernandes, Shri Oscar
Ganesan, Shri La.
Ganguly, Shrimati Roopa
Gehlot, Shri Thaawar Chand
Goel, Shri Vijay
Gohel, Shri Chunibhai Kanjibhai
Gowda, Prof. M. V. Rajeev
Goyal, Shri Piyush
Gujral, Shri Naresh
Gupta, Shri Vivek
Hariprasad, Shri B. K.
Harivansh, Shri
Irani, Shrimati Smriti Zubin
Jain, Shri Meghraj
Jaitley, Shri Arun
Jangde, Dr. Bhushan Lal
Jatiya, Dr. Satyanarayan

Javadekar, Shri Prakash

Judev, Shri Ranvijay Singh

Kalita, Shri Bhubaneswar

Kashyap, Shri Ram Kumar

Khan, Shri K. Rahman

Khan, Shri Mohd. Ali

Kore, Dr. Prabhakar

Kujur, Shri Santiuse

Mahatme, Dr. Vikas

Mahra, Shri Mahendra Singh

Malik, Shri Shwait

Mandaviya, Shri Mansukh L.

Manhas, Shri Shamsheer Singh

Mathur, Shri Om Prakash

Misra, Shri Satish Chandra

Mistry, Shri Madhusudan

Nadda, Shri Jagat Prakash

Naidu, Shri M. Venkaiah

Naqvi, Shri Mukhtar Abbas

Netam, Shri Ram Vichar

Nirmala Sitharaman, Shrimati

Panchariya, Shri Narayan Lal

Pandya, Shri Dilipbhai

Patil, Shri Basawaraj

Patil, Shrimati Rajani

Perween, Shrimati Kakhkashan

Poddar, Shri Mahesh
Prabhu, Shri Suresh
Pradhan, Shri Dharmendra
Punia, Shri P. L.
Rajaram, Shri
Ramamurthy, Shri K. C.
Ramesh, Shri Jairam
Rangasayee Ramakrishna, Shri
Rao, Dr. K. Keshava
Rapolu, Shri Ananda Bhaskar
Ravi, Shri Vayalar
Rupala, Shri Parshottam
Sable, Shri Amar Shankar
Sahasrabuddhe, Dr. Vinay P.
Sancheti, Shri Ajay
Seetharama Lakshmi, Shrimati Thota
Selja, Kumari
Sen, Ms. Dola
Shukla, Shri Shiv Pratap
Sibal, Shri Kapil
Singh, Shri Amar
Singh, Chaudhary Birender
Singh, Shri Digvijaya
Singh, Shri Gopal Narayan
Singh, Dr. Manmohan
Singh, Shri Veer

Sinh, Dr. Sanjay

Sinha, Shri R. K.

Soni, Shrimati Ambika

Suresh Gopi, Shri

Swamy, Shri A. V.

Syiem, Shrimati Wansuk

Tamta, Shri Pradeep

Tankha, Shri Vivek K.

Thakur, Dr. C. P.

Thakur, Shri Ram Nath

Tiwari, Shri Pramod

Tlau, Shri Ronald Sapa

Vadodia, Shri Lal Sinh

Vegad, Shri Shankarbai N.

Venkatesh, Shri T. G.

Verma, Shrimati Chhaya

Verma, Shri Ramkumar

Verma, Shri Ravi Prakash

Vora, Shri Motilal

Yadav, Shri Bhupender

The Amendments (Nos. 2 and 3) were negatived.

Clause 16 was added to the Bill.

MR. DEPUTY CHAIRMAN: In Clause 17 , there is one Amendment (No. 11) by Dr. T. Subbarami Reddy; he is not present. So, Amendment not moved.

Clause 17 was added to the Bill.

Clauses 18 to 21 were added to the Bill.

MR. DEPUTY CHAIRMAN: In Clause 22, there is one Amendment (No. 12) by Dr. T. Subbarami Reddy. He is not present. The Amendment is not moved.

Clause 22 was added to the Bill.

Clauses 23 to 25 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI ARUN JAITLEY: Sir, I move:

That the Bill be returned.

The question was put and the motion was adopted.

MR. DEPUTY CHAIRMAN: I shall now put the motion regarding the consideration of the Goods and Services Tax (Compensation to States) Bill, 2017 to vote.

The question is:

"That the Bill to provide for compensation to the States for the loss of revenue arising on account of implementation of the goods and services tax in pursuance of the provisions of the Constitution (One Hundred and First Amendment) Act, 2016, as passed by Lok Sabha, be taken into consideration."

The motion was adopted.

MR. DEPUTY CHAIRMAN: I shall now take up clause-by-clause consideration of the Bill.

Clauses 2 to 4 were added to the Bill.

MR. DEPUTY CHAIRMAN: In Clause 5, there are two Amendments (Nos. 4 and 5) by Dr. T. Subbarami Reddy. He is absent. So the Amendments are not moved.

Clause 5 was added to the Bill.

Clause 6 was added to the Bill.

MR. DEPUTY CHAIRMAN: In Clause 7, there is one Amendment (No. 6) by Dr. T. Subbarami Reddy. He is absent. So the Amendment is not moved.

Clause 7 was added to the Bill.

Clauses 8 and 9 were added to the Bill.

MR. DEPUTY CHAIRMAN: In Clause 10, there are two Amendments (Nos. 7 and 8) by Dr. T. Subbarami Reddy. He is absent. So the Amendments are not moved.

Clause 10 was added to the Bill.

Clauses 11 to 14 were added to the Bill.

MR. DEPUTY CHAIRMAN: In the Schedule, there are three Amendments (Nos. 1 to 3) by Shri T. K. Rangarajan and Shri Tapan Kumar Sen.

THE SCHEDULE

SHRI TAPAN KUMAR SEN: Yes, Sir, I move it and my purpose of moving it is, firstly, it is crucial that the beedi industry needs an exemption and it should not be taken at par with cigarette industry. More than one crore workers are working in that sector and they are the poorest of the poor. Secondly, these Amendments, particularly No. 3, relate to removing the anomaly and bringing more transparency. It is in the matter of registered or non-registered book of account. A person who has not taken registration can say, "I am not liable to keep true books of account". This anomalous position in the Bill needs to be removed for a better understanding. So I move:—

1. That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Goods and Services Tax (Compensation to States) Bill, 2017, as passed by Lok Sabha, namely:—

“That at page 8, Sl. No. 2, line 16, *for* the figure “24”, the figures and words “24, excluding 2403.10.31” be *substituted*.”
2. That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Goods and Services Tax (Compensation to States) Bill, 2017, as passed by Lok Sabha, namely:—

“That at page 8, Sl. No. 5, lines 35 to 42, *for* the words “Motor cars and other motor vehicles principally designed for the transport of persons (other than motor vehicles for the transport of 10 or more persons, including the driver) including station wagons and racing cars”, the words “Motor cars including station wagons and racing cars for which value for the purpose of levy of Goods and Services Tax exceeds rupees twenty-five lakh” be substituted.”
3. That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Goods and Services Tax (Compensation to States) Bill, 2017, as passed by Lok Sabha, namely:—

“That at page 8, Sl. No. 6, line 43 be *deleted*.”

SHRI T. K. RANGARAJAN: Sir, the cigarette manufacturers wanted to make small cigarettes, equivalent to beedi and the beedi manufacturing people cannot pay that tax.

MR. DEPUTY CHAIRMAN: All right, I understood. Now, as Dr. T. Subbarami Reddy is not present, his Amendment is not moved. I shall, therefore, put the Amendment moved by Shri T. K. Rangarajan and Shri Tapan Kumar Sen to vote.

The Amendments (No.1 to 3) were negatived.

The Schedule was added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI ARUN JAITLEY: Sir, I move:

That the Bill be returned.

The question was put and the motion was adopted.

MR. DEPUTY CHAIRMAN: Now, I shall take up the fourth Bill, the Union Territory Goods and Services Tax Bill, 2017. The question is:—

"That the Bill to make a provision for levy and collection of Tax on intra-State supply of goods or services or both by the Union Territories and the matter connected therewith or incidental thereto, as passed by Lok Sabha, be taken into consideration."

The motion was adopted.

MR. DEPUTY CHAIRMAN: We shall now take up clause-by-clause consideration of the Bill.

Clauses 2 to 6 were added to the Bill.

MR. DEPUTY CHAIRMAN: Now we shall take up Clause 7. There is one Amendment (No.1) by Dr. T. Subbarami Reddy. He is absent. So, the Amendment not moved.

SHRI JAIRAM RAMESH: Sir, I just want to say that in view of the fact that Dr. Subbarami Reddy spends so much time and energy in giving his amendments, maybe, you should consider this Bill tomorrow when he is present. ...*(Interruptions)*...

Clause 7 was added to the Bill.

Clauses 8 to 9 were added to the Bill.

MR. DEPUTY CHAIRMAN: In Clause 10, there is one Amendment (No. 2) by Dr. T. Subbarami Reddy. He is absent. So, the Amendment not moved.

Clause 10 was added to the Bill.

Clauses 11 to 26 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI ARUN JAITLEY: Sir, I move:

That the Bill be returned.

The question was put and the motion was adopted.

RECOMMENDATIONS OF THE BUSINESS ADVISORY COMMITTEE

MR. DEPUTY CHAIRMAN: I have to inform Members that the Business Advisory Committee in its meeting held on the 6th of April, 2017, has allotted time for Government Legislative and Other Business, as follows:—

Business	Time Allotted
1. Consideration and passing of the following Bills, after they are passed by Lok Sabha.—	
(a) The Taxation Laws (Amendment) Bill, 2017.	Two Hours
(b) The National Bank for Agriculture and Rural Development (Amendment) Bill, 2017.	Two Hours
(c) The Constitution (One Hundred and Twenty Third Amendment) Bill, 2017.	Four Hours (To be discussed together)
(d) The National Commission for Backward Classes (Repeal) Bill, 2017.	
(e) The Companies (Amendment) Bill, 2016.	One Hour
(f) The Motor Vehicles (Amendment) Bill, 2016.	Three Hours
2. Motion for annulment of Notification No. F.I-2/2009 (EC/PS)V(I) Vol.II, dated the 5th July, 2016, publishing the University Grants Commission (Minimum Standards and Procedure for Award of M.Phil/Ph.D Degrees) Regulations, 2016.	Two Hours (To be discussed together)
3. Motion for modification of Notification No. F.I-2/2009 (EC/PS)V(I) Vol. II, dated the 5th July, 2016, publishing the University Grants Commission (Minimum Standards and Procedure for Award of M.Phil/Ph.D Degrees) Regulations, 2016.	
