

The Government has already infused a sum of ₹ 47,915 crore to PSBs during 2015-16 and 2016-17 based on quantitative analysis of growth and compliance levels.

Abolition of tax slabs under GST

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

(a) whether Government has taken note of the strike of the traders demanding abolition of tax slabs under GST which will affect their business drastically unless it is revised;

(b) if so, the details thereof; and

(c) the response of Government to their demands?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) to (c) The GST rates on supply of goods and services have been notified based on the recommendations of the GST Council. The GST rates on goods and services have been fixed taking into consideration, *inter alia*, the total indirect tax incidence in pre-GST regime, including cascading of taxes. The GST rates so notified are lower than the pre-GST tax incidence on most of the items of mass consumption such as cereals, pulses, milk, tea, vegetable edible oils, sugar, toothpaste, hair oil, soap, footwear, childrens' picture, drawing or colouring books, etc.

Further, any supplier in the State or Union territory, other than special category States, from where he makes a taxable supply of goods or services or both, whose aggregate turnover in a financial year does not exceed ₹ 20 lakh [₹ 10 lakh in the case of special category States] is not liable to be registered under the Central Goods and Services Tax Act, 2017. Also, an eligible registered person in the State or Union territory, other than special category States [except Uttarakhand], whose aggregate turnover in the preceding financial year did not exceed ₹ 75 lakh [₹ 50 lakh in the case of special category States other than Uttarakhand], can avail of the Composition Scheme under GST.

Revision of NPA norms

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

(a) whether it is a fact that Reserve Bank of India is looking into the request for extending the NPA classification period from the current 90 day window to help small and medium enterprises; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) Reserve Bank of India has informed that it is not examining any proposal on extending the Non-Performing Assets (NPA) classification norms from the current 90-day window to help small and medium enterprises. The extant prudential NPA norms were brought in after extensive consultations and were based on the report of the Committee on Banking Sector Reforms (Chairman: M. Narasimham). The prudential norms are one of the building blocks for financial soundness of Indian banks and any deviation would render the banking system weaker. Further, any delay in recognition of deterioration in asset quality removes pressure on the banks to deal promptly with the problem.

Outflow of black money and inflow of illicit money

267. SHRI C.M. RAMESH : Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that as per the Global Financial Integrity Report, US \$ 21 billion in the form of black money went out of the country in 2014 and US \$101 billion illicit money flowed into the country;

(b) if so, the details of other findings of the report; and

(c) the steps taken or proposed to be taken to curb outflow of black money and inflow of illicit money into the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) to (b) The flow of illicit money outside and inside India appears to be referring to the latest report of Global Financial Integrity (GFI), a US based non-profit organization, that has appeared in public domain. Apart from mentioning the figures of outflow and inflow of illicit money, the report also states that substantial proportions of the global illicit financial flows are happening through trade misinvoicing. The report *inter alia* recommends better trained and equipped customs staff and stricter scrutiny of trade deals, along with global cooperation in exchanging information on bank accounts, especially with tax havens.

The report is based upon various assumptions and presumptions and attempts to present an overview of the matter. However, the report does not appear to have taken into consideration many relevant factors.

(c) The Government has put in place appropriate regulatory mechanism to effectively curb outflow of black money and inflow of illicit money into the country. Such mechanism includes regulatory framework for making foreign remittances, taking appropriate action in cases involving misuse of the medium of trade for moving money out of the country illegally including through overvaluation in imports, undervaluation