

I now ask the Finance Minister to reply to the debate, including the issues raised by the Members.

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**THE UNION BUDGET, 2018-19 — Contd.**

THE MINISTER OF FINANCE; AND THE MINISTER OF CORPORATE AFFAIR (SHRI ARUN JAITLEY): Mr. Chairman, Sir, thank you very much for this opportunity. We had two days' detailed discussion on the Budget, and this discussion will spill over to the second part because there will be a detailed discussion on the Demands for Grants. ...(*Interruptions*)...

SHRI C. M. RAMESH (Karnataka): What about special assistance for Andhra Pradesh?

MR. CHAIRMAN: That also will be covered.

SHRI ARUN JAITLEY: Several issues, like the one Mr. Derek O'Brien raised on the Railways, when the Demands for Grants of the Railways are dealt with, I think, to his greater satisfaction, will be dealt with by my colleague, Shri Piyush Goyal in that debate itself. I will, therefore, try and be very brief considering the fact that Members have gone through the two day debate, and this debate will continue in the Demands for Grants and the discussion on this Finance Bill itself.

I am very grateful to all the Members, led by Mr. P. Chidambaram who initiated the discussion. Obviously, since my friends from Andhra Pradesh have been very deeply concerned about the issues facing their State. If the hon. Members permit me, I will just make a brief statement with regard to Andhra Pradesh. Considering the fact that when the State was bifurcated into two, we were amongst the Members, who had strongly felt that as a result of the bifurcation some justice has to be done to the residuary Andhra State because it was going to lose a large part of its revenue. There were several commitments which have been made in the Andhra Pradesh Reorganisation Act, in this House, and before the State Government. Some of these commitments have been implemented; and some work is in progress. Many institutions have been created in the State of Andhra Pradesh since earlier institutions went to the State of Telangana. Money for the creation of the Capital and, for the Backward Districts has been given. The agency of NABARD is funding the Polavaram project. It is a continuous process which we will continue, and work will not be allowed to be stopped at any stage itself.

There are certain pending issues, which is also work in progress. I will just read a brief paragraph to inform my friends because over the last few days also

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meetings have been held. The Central Government had agreed to give a special assistance to the Government of Andhra Pradesh for a period of five years. Earlier this assistance was to be given by the Externally-Aided Programme. However, in the month of January, the State Government suggested an alternative method, and on the alternative method discussions have reached a very advanced stage and a solution is likely to be finalized soon.

With regard to revenue deficit for the year 2014-15, ten months of that year, a sum of ₹ 3,979.50 crores has already been given. A resolution with regard to the determination of the final amount payable has been discussed and currently discussions are going on to finalise the gap, the difference in the perception has narrowed down.

As far as other issues are concerned, Durgarajapatnam Port, Integrated Steel Plant in the Kadapa District, Petroleum Cracker Complex, separate Railway Zone at Vizag, Vizag-Chennai and Bengaluru Industrial Corridor, all the concerned Ministries have been asked to look into these matters and take an early decision with regard to each one of these areas itself. So, this is work in progress, and at a very advanced stage.

Sir, the debate was initiated by my friend, Mr. Chidambaram. For the period 2004-14, the UPA Government was in power and, out of this period, as he himself mentioned, for the initial years, particularly till 2010, there was a boom in the global economy. He, in fact, mentioned that the Chief Economic Advisor had referred to their management of the economy as a 'boom period'; that is not so. There was a boom in the global economy itself because of which India was also benefiting. Obviously, whenever any Government is in power, it has its own perception of implementing what it thinks is in the larger national interest.

Let me start off by saying that the UPA Government had started two important programmes. One was MNREGA and the other was the Right to Food. Even when the Government changed in 2014, we, in the NDA, felt that in the larger interest of the national economy it is in our own interest to continue these programmes. So, for MNREGA, last year and this year, I had already provided an amount of ₹ 55,000 crores in the Budget itself. Let me say this – and I am not making a critical comment; it is a factual analysis – that even when ₹ 40,000 crores was the maximum that the UPA would sanction, it was never able to spend that money. कभी 28 हजार करोड़ खर्च होता था, कभी 32 हजार करोड़ खर्च होता था। हम जितना बजट में sanction करते हैं – पिछले साल 48 हजार करोड़ किया तो 55 हजार करोड़ हो गया। इस साल 55 हजार करोड़ किया...

SHRI ANAND SHARMA (Himachal Pradesh): If you allow me, Sir, I want to say something. Of course, it is not a critical issue. The fact, which we cannot deny, Arunji, is that last year the increase was forced by circumstances because, after demonetisation, a large number of people lost their jobs, their daily wages and they went back to their villages, and MNREGA saved them. This time also some...

**श्री अरुण जेटली:** आनन्द जी, मैं आपको थोड़ा डेटा दूंगा। आप जिस भ्रम में जीते हैं और जिस भ्रम में ये भाषण भी किए गए, factual data उसको समर्थन नहीं देता है। इस साल भी हमने 55 हजार करोड़ किया है। Right to Food यानी food subsidy इस साल 1 लाख 70 हजार करोड़ है। किसी भी सरकार में ये कार्यक्रम शुरू हुए हों, ग्रामीण सड़कों पर जो खर्च होता था, उससे कई गुणा ज्यादा है, 27 हजार करोड़ सालाना। आप किसी भी लोक सभा सांसद से पूछ लीजिए, उसके क्षेत्र में कितना खर्च हो रहा है। गांव को सड़क से जोड़ देना, गांव के भीतर घर मिल जाना, गांव के अंदर शौचालय बन जाना, स्वच्छ भारत और शौचालय का जो निर्माण हुआ है, पिछले तीन-चार वर्षों में वह जिस गति से देश में बढ़ा है, वह अपने आपमें एक नया इतिहास लिख रहा है। केवल हर गांव तक बिजली नहीं, वह तो आपके समय भी कोशिश हो रही थी कि बिजली पहुंचाई जाए, लेकिन आज हर गांव में हर घर को spot किया जा रहा है कि उस घर तक बिजली पहुंच जाए। Interest subvention — आप आंकड़ों की तुलना कर लीजिए, उसकी संख्या लगभग दोगुनी हुई है, crop insurance को उसके साथ और जोड़ा गया है। इसलिए गरीबी का उन्मूलन करने के लिए पूरे बजट में आपको कितनी entries मिल जाएंगी जो एक के बाद एक उस दिशा में आगे बढ़ने का प्रयास करती हैं। केवल इतना नहीं, एक आलोचना जो हम लोग आपकी सरकार के समय करते थे कि आपने right approach तो दे दी, लेकिन productivity बढ़ाने के लिए जो बाकी सुधार करने चाहिए थे, उनका क्या हुआ? आप पिछले 2-3 साल का इतिहास देख लें। आधार के बारे में, मैं यह जानता हूँ कि जब आपकी सरकार थी, तब भी सरकार में division था। There was a divided opinion in your Government. एक मंत्रालय चाहता था, एक विभाग PMO चाहता था, शायद कई लोग नहीं चाहते थे और इसीलिए आज तक यह स्पष्ट नहीं हो पाया कि आप उसके पक्ष में हैं या उसके खिलाफ हैं। आप लोगों ने कोशिश की, लेकिन GST को आगे लाने में सफल नहीं हो पाए, हम लोग ले आए। इसमें आपका भी सहयोग रहा है। मैं बैंकों के साथ जो हुआ उसकी अलग से चर्चा करूंगा। लेकिन जो सबसे विचित्र टिप्पणी की गई कि बजट से पहले इकोनॉमिक सर्वे में यह लिख दिया गया कि employment के संबंध में, रोजगार और कृषि के संबंध में और शिक्षा के संबंध में अभी देश में बहुत कुछ होना है because the Chief Economic Advisor is realistic in writing that we have a lot of distance still to cover in these areas, the impression was created as though these are the three problem areas created in the last four years! On the cumulative effect of resources of historical backwardness, what is the impact of Congress rule in all these years? 55 साल आप सरकार में रहे, अगर आपके नारे मंजूर कर लिए जाते, तो गरीबी तो 1971 में हट जानी चाहिए थी। इसीलिए Chief Economic Adviser ने अपने बजट में यह लिखा कि इन तीन क्षेत्रों में अभी और भी बहुत काम बाकी है, यह वास्तविकता है। हम हवा में नहीं जी रहे हैं और जब मैं यह कह रहा हूँ कि हम हवा में नहीं जी रहे हैं, I was wondering to myself when this illustration is given that in the Chief Economic Advisor you have very good

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**7.00 P.M.**

doctor but you have a terrible patient. Let me tell you, even if there is a bad case and if you have a good doctor, he will probably end up curing the patient. What do we do for those ten years from 2004 to 2014 when you had a terrible doctor? When you have a terrible doctor, even the healthiest patient is likely to disappear!

After this entire smug approach, I was trying to analyse. You see, during the boom period, the whole global economy was doing well. When, in 2011, we started facing challenges, honestly analyse what it is that you left behind. I am now going to give you six or seven sets of data. I will immediately yield if you correct me on a single one of these as mistake. Let us start with 2012. Why I am starting with the GDP in 2012 is because prior to 2012, the old series was applicable. So, it is unfair to compare old series with the new series.

SHRI ANAND SHARMA: Will you release the numbers for ten years under the old series and the new series?

SHRI ARUN JAITLEY: I am releasing. Since a number of questions were put to me, data gives the answer to each one of them. In 2012-13, what is the GDP growth under UPA? It was 5.3 per cent, lowest in the recent years. In 2013-14, what is the GDP growth? It was 6.3 per cent. We lost one quarter GDP because of GST and because people were destocking, manufacturing came down and it became 5.7 per cent, एक क्वार्टर के लिए, एक तिमाही के लिए 5.7 परसेंट हुई। एक तिमाही में 5.7 परसेंट पर हायतौबा और आप 5.3 परसेंट और 6.3 परसेंट की अवस्था में छोड़कर गए और आपके जाते ही क्या हुआ 7.5 परसेंट, 8.2 परसेंट, 7.1 परसेंट और जिसको स्ट्रक्चरल रिफॉर्म्स की वजह से स्लोडाउन ईयर कहते हैं, उसमें 6.7 परसेंट। Look, who is talking? ... (*Interruptions*)... आप 5.3 और 6.3 की जीडीपी ग्रोथ छोड़कर गए। I was questioned that oil price has been on the rise, what will you do with the Current Account Deficit? I heard a detailed discourse on Current Account Deficit. What is the Current Account Deficit of your last two years? It was 4.2 per cent and 4.8 per cent and 4.2 per cent and 4.8 per cent is unacceptable level of Current Account Deficit. एक तिमाही जो 2012 का था, उसमें तो शायद आपने वर्ल्ड रिकॉर्ड तोड़ दिया होगा, 6.8 परसेंट। In the third quarter of 2012, you had 6.8 per cent Current Account Deficit. So, Current Account Deficit was 4.2 per cent, 4.8 per cent. सरकार बदल गई, half a per cent, one per cent, one-and-a-half present. इस रेंज से बाहर आज कि Current Account Deficit नहीं गया और हमें भाषण सुनने को मिल रहा है कि आप Current Account Deficit का क्या कर रहे हो? Yesterday a big statement was made on the yields on the ten years' bonds. टेन ईयर बांड्स के जो yields होते हैं, वह इस बात पर निर्भर करता है कि सरकार किस रेट के ऊपर ऋण लेगी? जिस रेट का borrowing rate होता है, यह उस पर डिपेंड करता है। आप gone up कह रहे

हैं। जब वाजपेयी जी की सरकार गई और 2004 में आप आए थे, तो yield पर जो रेट था, वह 5.17 परसेंट, lowest ever level था और आप सरकार में रहे, यह धीरे-धीरे बढ़ता रहा। अप्रैल, 2013 में आपने नया कीर्तिमान 9.48 परसेंट का स्थापित कर लिया यानी कि कोई भी राज्य सरकार अगर उधार ले या केंद्र सरकार उधार ले, तो उसको 9.5 परसेंट, 10 परसेंट ब्याज देना पड़ेगा। गरीब की सेवा करने के स्थान पर वह ब्याज बढ़ रहा था। हम सरकार में वापस आए, धीरे-धीरे कमाना शुरू हुआ और अब तो 7.5 और 7.6 की रेंज में है। डिमॉनेटाइजेशन की जो आप आलोचना करते हैं, डिमॉनेटाइजेशन के बाद बैंकों में पैसा पड़ा हुआ था और अब देश को ज्यादा उधार की जरूरत नहीं पड़ेगी, तो ब्याज दर फिर वापस 6.19 परसेंट पर आ गई। We remained in 6 per cent, 7 and 7.5 per cent. You breached the fiscal discipline, we were told. The red lines were breached. आपके आखिरी तीन सालों में fiscal deficit कितना था - 5.9 परसेंट, 4.9 परसेंट और 4.5 परसेंट था। And fiscal deficit means that you are borrowing and borrowing and borrowing to run the Government and because you are excessively borrowing, you are going to leave the next generation in debt and too much borrowing, which is not good for any economy itself. और यह apparent fiscal deficit था, - जो concealed था, मैं उस में नहीं जाता। I am not on the quality of the fiscal deficit that you left behind; हम पावर में आ गए - आप से हमें fiscal deficit 5.9 per cent, 4.9 per cent, 4.5 per cent मिला, पहले साल में 4.1, दूसरे साल में 3.9, तीसरे साल में 3.5 था, इस साल हमें 3.2 करना था, लेकिन हम 3.2 नहीं कर पाए, 3.5 पर रह गए और उस के पीछे बड़ा स्पष्ट कारण था and much is made out of this fact कि जो Indirect tax है, पहले तीन महीने तो Excise और Service tax था, अगले 9 महीने जीएसटी है, लेकिन एक महीने का कम जीएसटी इस साल मिला। अगर मेरा fiscal deficit इस साल 48,000 करोड़ रुपए का है, उस में से 36,000 करोड़ तो वह है, जो कि जीएसटी की वजह से कम मिला, तो that is a statistical slippage of the fiscal deficit. So, you maintained consistently a high level of fiscal deficit at 5.9 per cent, 4.9 per cent and 4.5 per cent. और 5.9 fiscal deficit maintain करने के बाद, आज आप हम को भाषण दे रहे हैं कि यह 3.9 क्यों नहीं हुआ? आपको मालूम है कि इस साल एक महीने का जीएसटी कम है क्योंकि मार्च का जीएसटी अप्रैल में मिलेगा।

फिर कुछेक सवाल revenue deficit पर आ गए। मैंने सोचा कि revenue deficit भी देख लें कि क्या था। आप जो अंतिम तीन सालों का revenue deficit छोड़कर गए वह 4.9 परसेंट, 3.7 परसेंट, 3.2 परसेंट और यह 3 परसेंट, 4 परसेंट से हमेशा ऊपर। It is a high, unacceptable level of revenue deficit. हम लोग सरकार में आए, revenue deficit कितना है - 2.9 परसेंट, 2.5 परसेंट और 2.1 परसेंट। यह धीरे-धीरे कम हो रहा है।

आप किस आंकड़े को मिलाएंगे? मुद्रास्फीति - तेल के दाम बढ़ गए तो आप क्या करोगे? मुझे तो अब कि कोई ऐसा अर्थशास्त्री नहीं मिला, जिसने मुझे 120 के दाम पर बतलाया हो कि दाम 30 डॉलर पर आ जाएगा और जब 30 पर आया तो किसी ने नहीं बताया था कि यह वापस 70 पर जाने वाला है। अब बहस होते-होते यह 66 पर पहुंच गया और अब 63-64 हो गया। वह fluctuating है। What is the last three years of your inflation? It was 9.4 per cent, 10.4 per cent and 9 per cent. तीनों सालों में आप का inflation figure 9 परसेंट से ऊपर

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था और एक बार तो double digit Inflation था और पिछले तीन सालों में 2-2.5 परसेंट भी रहा, 3 परसेंट भी रहा और इस साल औसतन 3.6 परसेंट है। I do believe that some people can make very good commentators because they can write and speak their right logic. But I am not so sure whether they can make the best administrators, if this is the data that speaks for itself. और हमें यह कहा जा रहा है कि The doctor who diagnosed your illness is a very good one, but you are a bad patient. But then, let us not be under the impression that this is the data anybody is likely to forget and just appreciate this journey. It is a journey that we have covered from policy paralysis to structural reforms. It is a journey from the 'fragile five' to what is now referred to as the 'bright spot' in the economy of the world.

SHRI ANAND SHARMA: Sir, one minute, please?

MR. CHAIRMAN: Let him complete, Anandji. Then, you can ask.

SHRI ANAND SHARMA: Sir, this is parliamentary practice.

MR. CHAIRMAN: If he yields, I have no problem.

THE MINISTER OF TEXTILES; AND THE MINISTER OF INFORMATION AND BROADCASTING (SHRIMATI SMRITI ZUBIN IRANI): Even if it is a parliamentary practice, he has to yield.

SHRI ANAND SHARMA: Sir, let him tell me one thing.

MR. CHAIRMAN: Anand Sharmaji, he has not yielded. That is the problem.

SHRI ANAND SHARMA: Sir, he may just listen to me.

MR. CHAIRMAN: I don't want that he does not yield and you start speaking. I don't like you both talk to each other while standing. If he yields, I have no problem. Okay; he has yielded. Now, you can make your point.

SHRI ANAND SHARMA: He is appreciated. Thank you, Sir.

Sir, my question is very simple. Yes; in politics, you say, when we left, we were in 'fragile five', which we were not. I had said it the other day. I have not participated in this debate. There will be another debate in a few weeks' time. I will speak then. But, one thing is very clear. Can you deny that the GDP of India quadrupled in those ten years? You are the Finance Minister. We went from US \$ 480 billion to US \$ 2.2 trillion. This is a fact. It is a matter of fact and is on record.

Secondly, if you kindly release the old series and the new series of GDP figures, you will find that for four consecutive years we grew in double digit also.

Lastly, even during that period, post financial and economic crisis, India remained the second largest recipient of FDI. You read all the Reports — IMF or World Bank or other investment institutions. So, it is not that we fell.

**श्री अमित अनिल चंद्र शाह** (गुजरात): हम चिदम्बरम जी से इतना कहां पूछते थे?

**श्री आनन्द शर्मा**: इतना बुरा हाल नहीं था।

**SHRI ARUN JAITLEY**: Anandji, let us be clear that from a policy paralysis to structural reforms, from 'fragile five' to a 'bright spot' and what was becoming a basket case to the world's fastest growing economy is the journey. That is the journey of transformation. And, therefore, we can throw up questions in the air and live under a false illusion that we are the 'know alls.' The fact is, our analysis can be incorrect; but, data does not speak any alternative language.

Now, a question is raised, 'What is the oil price perception that you have?' Well, it is quite obvious that India is a net buyer of oil. Therefore, higher prices of global oil don't suit us. There is oil price which is range-bound, which gives us a comfort level. Today, we are almost on the outer periphery of that comfort position. If it breaches that, it creates an adversity for us. It is no rocket science. It is a hard fact which is beyond our control.

Several other small questions have been raised. When I was referring to fiscal deficit – just two or three points – I mentioned the quality of fiscal deficit. In each one of the last two-three years, the revised targets of our Budget, under the NDA Government, ended up spending more than the Budget Estimates. And, therefore, we have achieved fiscal deficit target despite spending more. If you look at the kind of accounting you did in your last 3-4 years, you maintained the high fiscal deficit targets. Every year, you cut down by ₹ 1 lakh crores, ₹ 1.20 lakh crores. If you cut down expenditure, what do you cut down on? You cannot cut down expenditure on repayment of interest. आपको ब्याज वापस करना पड़ेगा। आपको डिफेंस और नेशनल सिक्योरिटी पर खर्चा करना पड़ेगा। सैलेरी, वेतन, पेंशन आपको देना पड़ेगा। तब कौन-सा खर्चा है, जिसको आप काटेंगे? जो डेवलपमेंटल एक्सपेंडिचर है, जो विकास पर खर्चा करना है, आप उसको काटेंगे। इसलिए हर साल उसको मेंटेन करने के लिए, जो डेवलपमेंटल एक्सपेंडिचर था, उसको काटते थे। So, not only did you not maintain fiscal deficit, but the quality of your fiscal deficit was extremely inadequate and poor. And, in each one of our cases, the Revised Estimates are more than the Budget Estimates. So, we are spending more. I can tell you. हम यह उठाते रहे कि आपने यह जो ब्लैक मनी कैंपेन चलाया, उसका क्या नतीजा निकला? उसका असर देखिए। मैंने कल ही फाइल साइन की है, मेरे पास पूरा डेटा आया, मुझे इस साल की उम्मीद थी कि इनकम-टैक्स का कलेक्शन 14 परसेंट से 15 परसेंट बढ़ेगा। कल मेरे पास 31 जनवरी कल के फिगर्स आए थे। अभी दो महीने

[Shri Arun Jaitley]

और बाकी हैं, our growth over the last year is 19.7 per cent यह जितना ब्लैक मनी के खिलाफ कैंपेन है, यह डीमॉनेटाइजेशन, इसमें जीएसटी का भी रोल है, डीमॉनेटाइजेशन का भी रोल है, इस कैंपेन का भी रोल है। इन सबका असर यह है कि टैक्स नेट अपने आप में धीरे-धीरे बढ़ता जा रहा है और स्वाभाविक है कि उसका एक लाभ हम लोगों को मिलेगा। अब यह कहा गया कि आपने ओएनजीसी ने भारत सरकार से एचपीसीएल खरीद लिया, यह हमने कोई लास्ट मिनट फाइनेंशियल इंजीनियरिंग नहीं की, यह तो मेरे बजट की घोषणा थी। अपस्ट्रीम और डाउनस्ट्रीम, ऑयल कंपनीज के बीच में तालमेल, यह तो पूरा एक ग्लोबल फिनोमिना है। हम लोगों ने उसके तहत ही यह घोषणा की थी।

महोदय, एक विषय उठाया गया कि क्या आपका रेवेन्यू एक्सपेंडिचर बढ़ गया है? यह रेवेन्यू एक्सपेंडिचर नहीं बढ़ा, बल्कि जीएसटी के तहत हर राज्य को कांस्टीट्यूशनल गारंटी दी गई है कि उसे 14 परसेंट की ग्रोथ मिलेगी, जिसके लिए जीएसटी के ऊपर सेस आता है। वह सेस तकरीबन साढ़े सात, आठ हजार करोड़ रुपये महीने का इकट्टा होता है। अभी कि वह जो सेस इकट्टा हुआ है, इस साल की उम्मीद है कि लगभग 61 हजार, 1 सौ 31 रुपये सेस की असेसमेंट है। यह, क्योंकि राज्यों को दिया जाना है और यह केंद्र के माध्यम से दिया जाता है, इसलिए उसे रेवेन्यू एक्सपेंडिचर की एंट्री में डाला हुआ है। केवल इतना है। It is not that the Revenue Expenditure of the Centre has increased, the GST cess has been put in the accounting entry, as far as the Centre is concerned. कैपिटल एक्सपेंडिचर, हम लोगों ने जितनी भी, वह चाहे नेशनल हाईवे अथॉरिटी हो, रेलवेज है, अन्य बॉडीज हैं, मार्केट बॉरोइंग्स की उनको कैपिटल एक्सपेंडिचर के लिए अनुमति दी है, इसलिए कैपिटल एक्सपेंडिचर किसी वजह से कम हो, इससे कोई कमी नहीं आने वाली है।

महोदय, एक विषय उठाया गया कि अचानक कस्टम ड्यूटी इतनी कम क्यों हो गई? जीएसटी आने के बाद जो स्पेशल सीवीडी थी, काउंटर वेलिंग ड्यूटी थी और जो एडिशनल ड्यूटी ऑन कस्टम्स है, उसको जीएसटी के अंदर सबस्यूम कर लिया गया है और करिसपोडेंगली, क्योंकि उसको जीएसटी के अंदर सबस्यूम कर लिया गया है, इसलिए वह कस्टम ड्यूटी कम हो जाती है और उसके मुताबिक जीएसटी उतना ही बढ़ता है।

महोदय, कई माननीय सदस्यों ने कई विषय रेज किए हैं। जहां कि जीएसटी का प्रश्न है, क्योंकि यह वह वर्ष था, जिसमें एक नया टैक्स सिस्टम आया, पुरानी टैक्स व्यवस्था में सेंट्रल एक्साइज, वैट, सर्विस टैक्स, जितने भी सत्रह टैक्स थे, there were 64 lakh registered dealers. कई डुप्लिकेट भी होते हैं, जो दो तरह के टैक्स देते हैं, जीएसटी के लिए उसकी संख्या ऑलरेडी 1 करोड़ से ज्यादा जा चुकी है। इसलिए, पहले दो-तीन महीने चुनौतियां थीं, जीएसटी उसके बाद स्टेबलाइज हुआ, जीएसटी council में मिलकर उसके रेट स्टेबलाइज किए। सब की यह एक राय थी, कांग्रेस पार्टी को भी आरंभ से यह लगता था कि यह जो 28 परसेंट का स्लैब है, इसको जितना थिन किया जा सकता है, पतला किया जा सकता है, डीमैरिट गुड्स या लग्जरी गुड्स को छोड़कर, उसको उतना कम किया जाए। मैं मानता हूँ कि इस वर्ष जो एंटी इवेजन मेजर्स भी एक के बाद एक जोड़े जाएंगे, तो उसके बाद जीएसटी कलेक्शन पर और फर्क पड़ेगा, कलेक्शंस बढ़ेंगी। बैंक्स में एक बहुत बड़ी चुनौती रही है और मैं बैंक्स के संबंध में एनपीए के पूरे इतिहास



में नहीं जाता, लेकिन इस बार बैंक्स को रीकैपिटलाइज करने के लिए मौजूदा वित्त वर्ष में और अगले वित्त वर्ष में दो लाख बारह हजार करोड़ रुपए बैंकों में डाले जा रहे हैं, जिससे बैंक्स की लेंडिंग कैपेसिटी अपने आप में बढ़ती है और जो एक प्राइवेट इंवेस्टमेंट में गिरावट आई थी, जिसके संबंध में चिंता व्यक्त की गई है, वह भी स्वाभाविक है कि अपने आप में थोड़ा प्राइवेट इंवेस्टमेंट पहले संकेत आ रहे हैं उसके उठने के, लेकिन बैंक्स की क्षमता के बाद वह और उठती है। एक बहुत विचित्र विषय चिदम्बरम साहब ने उठाया, कम से कम कोई और सदस्य कहता, सीपीएम के लोग कहते, तो मैं समझ सकता था, लेकिन उन्होंने कहा कि कॉर्पोरेट टैक्स 25 परसेंट क्यों कर रहे हैं? I was extremely stunned when I heard this. Who mooted the first idea of 25 per cent corporate tax in India? There was a Direct Tax Code which was drafted when Mr. Chidambaram was the Finance Minister. For the first time, a very sound logic was given in that Direct Tax Code that our company should be able to invest more, so that there is more job creation. In order that they are able to invest more, they must have an investible surplus, and to have an investible surplus, what is the best way to do? America is reducing its taxes below 20 per cent. European economies are reducing it. Since competing economies are reducing it, the Direct Tax Code said, India should reduce its corporate tax to 25 per cent. So, it was he who had first mooted this idea. I am holding the Direct Tax Code which was drafted by him, finalized by him, which said, "Rates of income tax for companies on the whole of the total income - 25 per cent of the total income." I think in some cases where you stand depends on where you sit. ...*(Interruptions)*...

SHRI TAPAN KUMAR SEN: Hon. Finance Minister, just a minute please. You replied rightly that Mr. Chidambaram should not have raised that issue. But from my standpoint, I also had raised that issue. Please don't forget to reply to that also. How could you select MSMEs with 250 crore annual turnover as something which deserve concession? Earlier, MSME selection was on the basis of capital deployed. Now, are you changing the criterion? Kindly explain. I will be educated. ...*(Interruptions)*...

THE MINISTER OF LAW AND JUSTICE; AND THE MINISTER OF ELECTRONICS AND INFORMATION TECHNOLOGY (SHRI RAVI SHANKAR PRASAD): Sir, this way the reply will never be completed.

MR. CHAIRMAN: What can I do?

SHRI P. BHATTACHARYA (West Bengal): Do you want to say that Mr. Chidambaram did a wrong thing?

MR. CHAIRMAN: Mr. Bhattacharya, after he concludes, you can speak.

SHRI P. BHATTACHARYA: Hon. Finance Minister, do you want to say that Mr. Chidambaram did a wrong thing?

SHRI ARUN JAITLEY: I fully support him on what he suggested. I will tell you *dada*, why ₹ 250 crore was selected. You are absolutely right. There is already a legislation under consideration by which the criterion is being changed to the turnover criterion. And for the MSME, the medium scale industries, it is going to be ₹ 250 crores. That is the proposal in that. And the reason why we limited it is because it also depends on how much the Budget can afford. This covers 99 per cent of the companies. The MSME sector is the largest job-provider in the country – you are a trade union leader – and therefore if they create more jobs, it helps the working class in the country because there are going to be more jobs. The small scale and medium scale can't compete with large scale, and there is one more difference. That is why when Mr. Bhattacharya asked me, do you support what Mr. Chidambaram had proposed *...(Interruptions)...* Please. I have a reason why I supported it. The large-manufacturing companies in India are all entitled to certain sectoral or regional exemptions. So, today, now 99 per cent of companies registered in India will be covered by this 25 per cent. There are 7,000 companies which will be outside this and which will be covered by 30 per cent. But the truth is that those 7,000 companies enjoy a lot of exemptions, and the average tax that they are paying is actually only 22-23 per cent. इसलिए उन कंपनीज़ पर असर नहीं पड़ता, जो वैसे ही 22-23 परसेंट टैक्स दे रही हैं। जो छोटे वाले हैं, जिनको 30 परसेंट 34 परसेंट देना पड़ता था, उनको 25 परसेंट के ऊपर लाना, ताकि job creation के अन्दर वह वाला सेक्टर अपने आपमें सहायता करे। उसके पीछे यह उद्देश्य था। लेकिन कांग्रेस पार्टी की तरफ से, Direct Tax Code वे लाए, उसमें 25 परसेंट का idea moot किया और आज कहें कि आप corporates को favour कर रहे हैं, हम इसकी घोर निंदा करते हैं। आधार पर आप अपना stand बदल लेंगे, GST पर आप अपना stand बदल लेंगे, Corporate Tax के ऊपर आप अपना stand बदल लेंगे, तो आपकी economic policy में consistency क्या है? *...(व्यवधान)...*

MR. CHAIRMAN: Please. If everybody rises, it will not be possible. *...(Interruptions)...* Shri Jairam Ramesh.

SHRI JAIRAM RAMESH: I am just going to ask the hon. Finance Minister one question. What proportion of the total corporate tax collection comes from these 99 per cent of the companies? It is 99 per cent of the companies. I just want to know. I am trying to understand as to what proportion of the tax comes from this.

SHRI ARUN JAITLEY: Jairamji, I am glad you asked it. Last year I had given the exemption to companies up to ₹ 50 crore turnover. This time I have raised it up to ₹ 250 crore turnover. The total amount of revenue forego on this is about ₹ 7,000 crores. If it is to be extended to all, it would be very high. It is a different matter that most of them are, as it is, paying less than 25 per cent but that burden on the tax itself would be about ₹ 40,000 crores to ₹ 50,000 crores which will be very high, which, at the moment, the Budget can't afford to absorb and therefore

that can only be absorbed if it is accompanied by waiver of all exemptions that first go back to 30 per cent net tax and then they are entitled to it.

Sir, even with regard to other taxpayers, this time, we have a whole package as far as senior citizens are concerned. In every Budget, we always try and see that. The RBI in the policy rates tries that. Whatever are the interest rates, they are gradually being coming down. Now it is in the larger interest of the economy that interest rates come down but senior citizens depend on interest for livelihood. Therefore, we had to create avenues where they can get a fixed 8 per cent or 8.3 per cent which we have done. We have exempted a large part of that income from income tax. We have given them further income tax exemptions for medical assistance, etc., and therefore there is a whole chapter for senior citizens because that is a vulnerable section which needed to be looked after.

I have mentioned some data which shows that the salaried class is an honest taxpayer. We have made ₹ 8,000 crore tax sacrifice even in terms of trying to help them and, I am sure, bringing standard deductions back, in years to come, will help them. This will be added upon because those in professions and businesses have the facility of taking various expenses to their accounts, etc. The salaried class has no such opportunity and, therefore, there was a strong need to bring this back. So, we have tried to do that.

Sir, there is one very important item, with regard to the long-term capital gains. There was a time when it was necessary that the investment into the stock market needed to be incentivized. Therefore, I think Indian economy today is on a far sounder footing. Under this Head, the income that was exempted as of last year was ₹ 3,67,000 crore, and analysis shows that most of it concerned the wealthiest in the society, high-network individuals, corporates or foreign financial institutions. So, the equity behind the policy of exempting the wealthiest from payment of tax was itself a question and, therefore, we have put a ten per cent tax as far as long-term capital gains is concerned.

Sir, there are two issues. I think, सरकार की जो पॉलिसी है, वह यह है कि किसानों को फसल पर जो MSP मिले, उसकी जितनी चुनौतियां बताई गई हैं, वे सच में सही हैं। MSP फिक्स भी कर दें, तब भी बाजार में जाकर MSP नहीं मिलता है, यह वास्तविकता है। इसलिए बजट के अंदर जो प्रपोजल दिए गए हैं, उनके अनुसार किसान को MSP मिले और इसके लिए आज कि सरकारों का जो आधार बना हुआ है, वह यह है कि उसकी जो input cost है, जो परिश्रम की कॉस्ट है, जो लेबर की कॉस्ट है, ये सारी ऐड हों और फिर उसको उसका 50% और मिले।

SHRI TAPAN KUMAR SEN: Is it C2?

SHRI JAIRAM RAMESH: It is A2+FL.

SHRI ARUN JAITLEY: It is A2+FL. I think Mr. Jairam is correct.

जब एक बार हम लोग यह परम्परा बना लेंगे, तो आरम्भ में तो कई बार लगता है कि इसका inflationary effect क्या होगा या इससे क्या फर्क पड़ेगा। जब हम Right to Food Act लाए थे, तब भी यही सारे प्रश्न उठते थे, लेकिन आज उसकी क्षमता बजट का 1 लाख 70 हजार करोड़ absorb करने की बन चुकी है। जब किसान को एक बार उसका हक मिलने लगेगा और विभिन्न क्रॉप्स के लिए जब यही परम्परा बन जाएगी, तो मुझे लगता है कि आने वाले भविष्य में जो भी सरकारें आएंगी, उनके लिए यह एक नियम सा बन जाएगा, एक बेंचमार्क बन जाएगा। इस तरह आने वाले समय में हम किसान के लिए एक नया इतिहास लिख देंगे। इसलिए मैं आग्रह करूंगा...(व्यवधान)...

SHRI JAIRAM RAMESH: Do I take it that the base would be A2+FL?

SHRI ARUN JAITLEY: That is the understanding I have from the Agriculture Ministry.

**श्रीमती विप्लव ठाकुर:** एक मिनट, आप यह जो दे रहे हैं, जैसे मैंने हिमाचल की बात कही, तो जो फ्रूट है, क्या उसको भी MSP के अंतर्गत लाएंगे?

**श्री अरुण जेटली:** मैडम, ये जो चीजें हैं, इनको आप कंसर्न्ड मंत्रालय के ऊपर छोड़ दें। कुछ चीजें आप मंत्रालय के ऊपर छोड़ दें।

एक अंतिम विषय है, जहां तक सरकार की हेल्थ इंश्योरेंस की स्कीम की बात है, सारे राज्यों की स्कीम्स मैंने भी देखी हैं। इनके पीछे एक बुनियादी सिद्धांत होता है कि अगर संख्या बहुत ज्यादा भी है, तब भी हॉस्पिटलाइजेशन तो बहुत सीमित लोगों का होता है। अगर संख्या ज्यादा होती है, तो per capita premium अपने आप में कम हो जाता है। नीति आयोग ने उसका एक initial assessment बनाया है। मैं उस assessment पर अभी टिप्पणी नहीं करता हूँ, लेकिन मैं मानता हूँ कि अगर उस पर काम शुरू हो जाए, तो वह affordable है और बजट की सीमाओं में अपने आप में भी वह affordable होगा। यह भी हमने इस बजट के माध्यम से समाज का एक अच्छा level of ambition बढ़ाने की कोशिश की है और मुझे पूरा विश्वास है कि इस वर्ष के अंदर इसको पूर्ण रूप से लागू करने में हम लोग सफल हो पाएंगे।

SHRI JAIRAM RAMESH: Sir, one question: Will it be 60:40 sharing, or 75:25?

SHRI ARUN JAITLEY: I think we should let the *NITI Aayog* coordinate this with the States. Let me just end, since you have raised this question. My own experience of the GST Council has been an extremely positive one. There is a statutory support for this. Areas like agriculture, health and power, where there is no statutory requirement, but in larger public interest some coordination is required between the Centre and the State, could be the starting point of that coordination. I am sure every State will be interested in the effective implementation in its own State and a cooperation in this area would not only be highly desirable but would also be eminently possible. We will make every endeavour to work in that direction. With these observations, I commend the Budget.

MR. CHAIRMAN: Shri Derek O'Brien ...(*Interruptions*)...

SHRIMATI VIPLOVE THAKUR: Sir, I want to ask ...(*Interruptions*)...

MR. CHAIRMAN: I cannot allow everybody simultaneously. ...(*Interruptions*)... I will call the names. ...(*Interruptions*)... Simultaneously, I cannot entertain ten Members. ...(*Interruptions*)...

SHRI DEREK O'BRIEN: I didn't want to disturb the Finance Minister in the middle of his speech because it disturbs the flow. Sir, I have some pointed questions. Firstly, since we are on the subject of health scheme, there are States which are running their own health schemes like my State in West Bengal is running a successful health scheme – ₹ 1,200 per family for a large number. You took this decision for this health, and now you are saying 40 per cent or 35 per cent the State has to give. Did you consult any of the States? You just not impose it on us. So, you didn't have any consultation. What happens to States like mine in West Bengal which are running very successful schemes? That is my first one. ...(*Interruptions*)... Now I come to the second.

MR. CHAIRMAN: Please conclude. ...(*Interruptions*)...

SHRI DEREK O'BRIEN: I can talk about GST but I don't want to talk. ...(*Interruptions*)...

MR. CHAIRMAN: We can't have a debate again. ...(*Interruptions*)...

SHRI DEREK O'BRIEN: I have asked the question on GST, but he didn't answer on GST. ...(*Interruptions*)... The compensation they have budgeted for was ₹ 55,000 crore, now it is going to reach ₹ 80,000 crore. Where will he get another ₹ 25,000 crore from on GST? But my main issue today is this. Sir, we are having a twelve-hour discussion; the Budget and the Railway Budget merged together. Did Trinamool Congress ask such difficult questions? Today when a young girl, since we are talking about doctors, goes to write the joint entrance exam for doctors, she can't be told to answer after three weeks.

MR. CHAIRMAN: What is your question? ...(*Interruptions*)...

SHRI DEREK O'BRIEN: Sir, we have asked twelve questions on the Railways. Not one question has been answered. I tell you why. You need one month. Sir, this is the Railway discussion also. ...(*Interruptions*)...

MR. CHAIRMAN: Again you cannot make a speech. ...(*Interruptions*)...

SHRI DEREK O'BRIEN: Let me finish. ...(*Interruptions*)... Let me finish. ...(*Interruptions*)... Let me ask the question. ...(*Interruptions*)... Sir, I am asking one question. ...(*Interruptions*)...

MR. CHAIRMAN: Fifty per cent of the House is not here. ...*(Interruptions)*...

SHRI DEREK O'BRIEN: Sir, I am optimistic. One hundred Members are here. ...*(Interruptions)*... Sir, I am very optimistic today. ...*(Interruptions)*...

MR. CHAIRMAN: That is why I allowed you. ...*(Interruptions)*... What is your specific question? ...*(Interruptions)*...

SHRI DEREK O'BRIEN: Sir, my specific question is this. Is it that you need twenty-five more days to answer these questions and do your spin? I didn't get a single answer on the Railways, but I am happy with the quality of the questions. ...*(Interruptions)*... Parliamentarians will give you one month, but people will not give you. ...*(Interruptions)*... I have not got a single answer on twelve questions on Railways. Not one! ...*(Interruptions)*...

MR. CHAIRMAN: Finance Minister, will you answer one after another or together? ...*(Interruptions)*...

SHRI PIYUSH GOYAL: I can answer all those questions if the House agrees. ...*(Interruptions)*... I am happy to answer all. ...*(Interruptions)*...

MR. CHAIRMAN: No. ...*(Interruptions)*...

SHRI PIYUSH GOYAL: I asked the hon. Members. ...*(Interruptions)*...

MR. CHAIRMAN: No; that is not the system. ...*(Interruptions)*... Now, Shri C. M. Ramesh. ...*(Interruptions)*... I will take care of all sides. ...*(Interruptions)*...

SHRI PIYUSH GOYAL: Sir, I asked the hon. Members. ...*(Interruptions)*...

MR. CHAIRMAN: I have not permitted you. It is the Finance Minister who has to answer the debate not others unless the Finance Minister seeks somebody's assistance. ...*(Interruptions)*...

SHRI C. M. RAMESH: Sir, through you, I request the hon. Finance Minister whatever he assured on the floor of the House should be time-bound. He has to mention about the timing of the implementation of these projects. ...*(Interruptions)*... That is very important. ...*(Interruptions)*... He is taking note of all questions and then he will respond. ...*(Interruptions)*... Now, Shri Jairam Ramesh.

SHRI JAIRAM RAMESH: Sir, may be this is a pre-matured question. But from what I can understand, he is recommending a GST Council type structure for implementing the health insurance. ...*(Interruptions)*...

SHRI ARUN JAITLEY: For your suggestion I need some loud thinking. ...*(Interruptions)*...

SHRI JAIRAM RAMESH: I have no problem with the suggestion but my only doubt which I want to convey to the hon. Finance Minister is this. Almost every State is running its own insurance scheme on a 75:25 basis as far as the RSBY is concerned because health is a State subject. We went through a constitutional amendment for the GST Council. So, I just want to flag the point. Is he thinking of GST Council structure? For the insurance scheme, we may have to go through a Constitutional Amendment process for this Health Insurance Scheme.

DR. K. KESHAVA RAO: Mr. Finance Minister, I am sorry for diverting the issue. Since he had to answer Andhra issue in his reply, I think, the Finance Minister realizes that when we talk of Andhra Pradesh Re-organisation Act, it means Telangana and Andhra also. You had, on the floor of the House, promised us. Will you please also take note of the demands of Telangana along with Andhra that you had promised?

DR. T. SUBBARAMI REDDY (Andhra Pradesh): Sir, for Andhra Pradesh capital, he was supposed to provide an amount of ₹ 46,000 crore required for the infrastructure, Assembly and everything. I want hon. Finance Minister to clarify as to how he is planning to allocate this amount of ₹ 46,000 crore. Every year, he must provide ₹ 10,000 crore in the Budget.

MR. CHAIRMAN: That's all right. It is not a discussion. You have to raise pointed question.

DR. T. SUBBARAMI REDDY: I want a clarification and clarity as to how the Finance Minister is planning to do this.

MR. CHAIRMAN: Now, Shrimati Vijila Sathyananth. I have to take care of all the sides.

SHRIMATI VIJILA SATHYANANTH: I just wanted a clarification on inter-linking of rivers, which was not mentioned. We were asking about it. ...*(Interruptions)*...

MR. CHAIRMAN: Please, how can the Finance Minister take note of the queries when everybody is speaking?

SHRIMATI VIJILA SATHYANANTH: We have a comprehensive Health Insurance Scheme. Already we have a wonderful health insurance scheme. ...*(Interruptions)*...

MR. CHAIRMAN: Ruling party Members, please. Ministers, please keep quiet. Then, I have to name the Members.

SHRIMATI VIJILA SATHYANANTH: So, now, will it hinder the present scheme run by the State Government? We were also looking for some sub-urban trains in Chennai. Chennai sub-urban trains were also not mentioned. We need all these things also to be ...*(Interruptions)*...

MR. CHAIRMAN: I will not take any questions, if people are talking among themselves. What is going on in this House? I am saying it for all the sides, including ruling party and Opposition parties also. If somebody is called, he or she has to stand up and ask the questions and then Minister will answer. It is not for others to intervene in between and then make commentaries also. It is very difficult. I just made an appeal and I think it will have some effect. Please try to understand. These are very serious issues which are being raised by the different Members. Each one is having his own problems. So, please understand. Now, Shri Tapan Sen and please be brief.

SHRI TAPAN KUMAR SEN: Sir, I will be very brief. It all relates to the tax management system. Successively, I have been raising this question, but I am not getting the answer. It is related to the uncollected tax assessed by your Department after all these concessions which, without any dispute, according to the statement made by the your Receipt Budget is, current year – ₹ 1.2 lakh crore; last year – ₹ 84,000 crore; year before last – ₹ 79,000 crore; and, I am telling you this pattern has evolved since the last ten years. I am not only telling your Government. I would like to understand why this patronization of not even collecting the tax without any dispute litigation.

MR. CHAIRMAN: Shri S.R. Balasubramoniyam, I have to cover ten people yet. Please understand.

SHRI S. R. BALASUBRAMONIYAN (Tamil Nadu): Sir, I will put only two questions. Number one is regarding the income tax slab. The Finance Minister was repeatedly telling that it would be raised from ₹ 2 lakhs to ₹ 5 lakhs. It has not been raised. He has given a standard deduction of ₹ 40,000, but by doing so, the Government will lose ₹ 8,000 crores. At the same time, he has raised the cess by one per cent, which is supposed to yield ₹ 11,000 crores. So, we are not getting any benefit from that. Number two...

MR. CHAIRMAN: This is not the time to make a speech. What is your question?

SHRI S.R. BALASUBRAMONIAN: Petroleum is a very important product.

MR. CHAIRMAN: Everything is important. I can't allow that. I have already allowed two of your party Members. Everybody has to be pointed. It should be within a few seconds. It is not the second round of speech. There are a number of other Members also waiting. Now, Shri D. Raja.

SHRI D. RAJA: Sir, I have only three pointed questions. Number one is regarding agriculture. More than 86 per cent farmers are small and marginal farmers. Now, this present Agricultural Produce Marketing Committee Act is found to be adverse to



the small and marginal farmers. Is the Government thinking of reviewing this Act? That is number one. Number two, you have announced the fixed-term employment. According to me, the fixed-term employment will lead to modern bonded labour system, and it will further complicate...

MR. CHAIRMAN: What is your question?

SHRI D. RAJA: That is why, it needs to be rejected. The Government should not go ahead with this.

MR. CHAIRMAN: Right. Shri Rajeev Shukla.

SHRI D. RAJA: Sir, this is my last question, please.

MR. CHAIRMAN: It is already 7.45 p.m.

SHRI D. RAJA: I have asked two questions. The third question is...

MR. CHAIRMAN: It is not a question of three. Only one question should be asked.

SHRI D. RAJA: Regarding SC/ST, the Centrally-sponsored schemes and...

MR. CHAIRMAN: Right. Shri Rajeev Shukla.

SHRI D. RAJA: I think, there is...

MR. CHAIRMAN: Nothing is going on record.

SHRI D. RAJA: \*

SHRI RAJEEV SHUKLA: Sir, through you, I want to ask from the hon. Finance Minister that when the thrust of the Government is on agriculture, why the Budget allocation for agriculture has been reduced.

Secondly, regarding Railways, the operational cost of the Railways has been shown as 95 per cent. So, with 5 per cent, how would they be able to upgrade the infrastructure?

SHRIMATI RENUKA CHOWDHURY: Sir, I wanted to ask as to what is the GST on gold and diamonds. Today, the GST on pesticides is up to 18 per cent. We used to pay VAT on it at the rate of five per cent earlier. Now, that has to be reduced immediately. Secondly, would you consider statutory Farmers' Income Commission, so that we ensure a basic living income for the small and tiny farmers?

MR. CHAIRMAN: Shri Ripun Bora.

SHRIMATI RENUKA CHOWDHURY: Sir, let me just complete.

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\*Not recorded.

MR. CHAIRMAN: It is not a speech, Amma. Please try to understand.

SHRIMATI RENUKA CHOWDHURY: I am just completing, Sir.

MR. CHAIRMAN: You have to ask a question. That's all. This is not the second round of discussion.

SHRIMATI RENUKA CHOWDHURY: You have talked about e-NAM markets. That has not even started as yet. It is still dependent on commission agents. Shall we relook at it because e-NAM markets are not established anywhere?

SHRI RIPUN BORA: Sir, my question to the hon. Finance Minister is that under Namami Gange, he has declared 187 projects in the Budget. I want to ask whether the Minister has any plan to take up the River Brahmaputra under these projects.

SHRI V. VIJAYASAI REDDY (Andhra Pradesh): Sir, I would like to know from the hon. Finance Minister the justification in taxing the farmer producing companies with a sunset clause after years, and also dividend distribution tax.

**श्री राज बब्बर:** मैं माननीय वित्त मंत्री जी से कहना चाहूंगा कि एम.एस.पी. में आपने खाद, बीज और लेबर तो लगाई, लेकिन जिन किसानों के पास जमीन नहीं होती, वे जमीन भाड़े पर लेते हैं, पट्टे पर लेते हैं और ऐसे किसान ही ज्यादा आत्महत्या करते हैं। मेरा सवाल यह है कि क्या लैंड-रेंट या जमीन का किराया इसमें लगाया जाएगा?

SHRI ANANDA BHASKAR RAPOLU: Sir, handlooms are not being given the protection that is required. Artisan class is in distress. The GST has to be removed from the handloom and hand-woven products.

SHRI T. G. VENKATESH (Andhra Pradesh): Sir, the Finance Minister addressed all the burning issues of Andhra Pradesh. My sincere request is that let him create confidence including in the Budget. He mentioned about steel plant and Vizag Zone. All these are the burning issues. We are grateful. He has mentioned about early completion. But if these are included in the Budget, all our issues will be closed.

MR. CHAIRMAN: Thank you, Mr. Venkatesh. It is a positive suggestion.

SHRI TAPAN KUMAR SEN: Sir, it is a good and an educative exercise.

MR. CHAIRMAN: It is good if Members are peacefully asking questions and getting the answers. Now, the Finance Minister.

SHRI ARUN JAITLEY: Sir, the 0.1 per cent cess or surcharge is not a tax. It is one per cent surcharge, and the one per cent surcharge is one per cent on the quantum of tax. Now, this is being charged across the board. So, this comparison is inaccurate because if ₹ 12,000 crores (8,000 plus 4,000) to salaried people and to the old-age citizens and pensioners is a relief, this one per cent is not being charged

exclusively from them. Bulk of this money is coming from the large corporates because they are the largest payers of income-tax. It comes from corporates, it comes from business entities and it also comes from salaried people, and, therefore, this is necessary because if you have to fund social welfare schemes, world over in every country, where you have social security schemes, people pay for it. The Government becomes a collecting agency and, in turn, provides social security. And, therefore, if you are starting such a landmark health scheme, obviously, the money has to come from somewhere. You cannot cut down the defence expenditure and say that we are starting a social welfare scheme. So, a small contribution is a part of citizens' duty, and, if those who are in a position to pay tax, particularly, those who are large corporates, etc., if they pay one per cent of the total tax payable extra, then, I think, funding the scheme could be a sensible idea itself.

Certainly, we have the interest of Telangana in mind because they also have certain rights under the Reorganisation Act; and so does Andhra Pradesh. As I have said already, most of the issues have been implemented; in some issues, the work is in progress. We will try and ensure, as my friend, C.M. Ramesh asked, it is done expeditiously by getting the relevant ministries take a decision.

There are two issues which directly deal with the Finance Ministry. I can tell him that one of the two issues, we have more or less sorted out, and, regarding the other, as I have candidly admitted, there is some gap, which we will try and narrow down.

MR. CHAIRMAN: Dr. Keshava Rao said about Telangana also.

SHRI ARUN JAITLEY: Yes, the same thing applies to whatever commitments have been made.

As far as the model APMC Act is concerned, it has already been sent to the States for their adoption. The Centre can only draft the model Act. It is for the States to adopt it. Regarding fixed-term employment, it was offered in the textile sector, and, it is being made available in leather and other sectors. Some of these are seasonal. For instance, India is a large exporter of garments. We are not a large exporter of woollen garments; we are a large exporter of summer wear garments. And, therefore, obviously, the nature of that employment itself is seasonal, and, therefore, to generate that employment... ..(Interruptions)...

SHRI TAPAN KUMAR SEN: It is not factual. ... (Interruptions)... As on date, it is there in ONGC, Alliance Air... ..(Interruptions)... Alliance Air is a subsidiary of Air India. Hundred per cent of Alliance Air employees are on fixed term for the last ten years, at least. So, the argument of seasonal nature of employment does not work here. It will make employment more fragile. ... (Interruptions)...

MR. CHAIRMAN: Right. Tapan Sen ji, please. ...*(Interruptions)*... Please. I understand it. ...*(Interruptions)*... You made a point. ...*(Interruptions)*...

SHRI TAPAN KUMAR SEN: But, I think, in these.. ...*(Interruptions)*...

MR. CHAIRMAN: Please, please. ...*(Interruptions)*...

SHRI TAPAN KUMAR SEN: This argument is not justified. ...*(Interruptions)*...

SHRI ARUN JAITLEY: There was a question about the GST on gold and diamonds. I am glad that you are concerned about the wealthy people and their commodities. ...*(Interruptions)*...

SHRIMATI RENUKA CHOWDHURY: In relation to seed and fertilizers, I was ...*(Interruptions)*...

SHRI ARUN JAITLEY: Let us be very clear that each one of us should not claim to be an expert on the calculation of the tax itself. When a tax is imposed, in the GST Council, which comprises of twenty-nine State Governments, six Union Territories and one Central Government, aided by experts, some element of thought goes into it. One of the considerations is what are the input costs because when you fix a final product, you have to give the benefit for input costs. In some cases, you impose the GST because you are supporting 'Make in India'; because the GST component gets added to the customs as far as foreign products are concerned.

Now, in the case of gold, one of the traditional factors was that gold almost went untaxed in this country. Twice, the UPA Government tried to put one per cent tax, and, on both the occasions, they had to withdraw it. When I put one per cent tax, there was a strong protest and when it went to the GST, the position was that there was one per cent excise duty on gold and most State Governments had one per cent VAT. As far as Kerala was concerned, Kerala had four per cent VAT. That was the position with regard to gold. Now, as far as gold is concerned, there is a certain amount of appetite India has for gold. If we will increase the quantum of tax, the argument given is that it will come through the alternative illegal route. But there has to be some accountability, and, therefore, after due consideration, the GST Council, after merging all the taxes, put three per cent tax as far as gold is concerned. Diamonds, which have become a part of jewellery itself, will be taxed at the same rate, but which are independently traded, because most of it is only for export; they come for polishing, only to keep traceability, there is a very nominal amount which is put there just to keep the traceability of the transaction which takes place. As far as Namami Gange is concerned, ...*(Interruptions)*...

SHRIMATI RENUKA CHOWDHURY: What about the pesticides? We are paying 18 per cent GST on that. It should come down.

SHRI ARUN JAITLEY: At the GST Council, I will put it before the Council. It depends on what the inputs are, how much are the inputs tax. In fact, I will tell you; recently, I went to a meeting. We have exempted all medical services. Some of the medical inputs which we have exempted, and the input is zero, they have now started demanding, 'please put a five per cent tax on us', because they want the benefit of the input credits, which is zero, they don't get. So, it is a different kind of an arithmetic altogether. ...*(Interruptions)*...

Now, as far as the Namami Gange is concerned, there are projects which have been identified. Some of the projects are at the fairly advanced stage; in some, work has been going on. The Water Resource Ministry now is actively pursuing this, and I am sure, we will see the change in the quality in the coming years.

Sir, many of the questions have been raised. After the break, we may be able to discuss them in the next part of this Session. ...*(Interruptions)*...

SHRI TAPAN KUMAR SEN: What about the undisputed tax collection? ...*(Interruptions)*...

SHRI ARUN JAITLEY: When you ask for tax, let me just tell you the Income Tax Department ...*(Interruptions)*... The Income Tax Department, their tax recovery ...*(Interruptions)*...

MR. CHAIRMAN: Please sit down. ...*(Interruptions)*... Please sit down. ...*(Interruptions)*...

DR. T. SUBBARAMI REDDY: I want to know about the Amaravati ...*(Interruptions)*... How much amount has been ...*(Interruptions)*...

MR. CHAIRMAN: The Minister is on his legs. ...*(Interruptions)*... You are residing in the Capital, Hyderabad, and you are asking about Amravati. ...*(Interruptions)*...

SHRI ARUN JAITLEY: Two-and-a-half thousand crores have already been given for the Capital in Amravati. If that is the answer you wanted, it has already been given. ...*(Interruptions)*... It has already been given. ...*(Interruptions)*...

MR. CHAIRMAN: Subbarami Reddyji, please. ...*(Interruptions)*...

SHRI ARUN JAITLEY: Sir, as far as these tax demands are concerned, that some person who is capable of paying tax; money and resources are available, the Income Tax Department, if there is a tax due, is not likely to spare him. There are some cases where assessment orders have been passed, but it does not become reasonably possible to recover the tax at the moment. Either the assets are not there, the person has disappeared, or asset itself has disappeared, and despite the order being passed, they continuously keep trying. There is a large assessment order in favour of some share broker who has died, those kinds of demands ...*(Interruptions)*...

SHRI TAPAN KUMAR SEN: I am talking about the undisputed one.  
...(Interruptions)...

MR. CHAIRMAN: Please, please. ...(Interruptions)...

SHRI ARUN JAITLEY: Undisputed, whichever is recoverable, the Tax Department will take every step to recover it and probably not leave a penny.

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### STATUTORY RESOLUTION

MR. CHAIRMAN: Thank you. Now I shall put the Statutory Resolution  
...(Interruptions)...

SHRI ANANDA BHASKAR RAPOLU (Telangana): Sir, the Minister ...(Interruptions)...

MR. CHAIRMAN: Please, Mr. Bhaskar. I have not allowed you. Please, sit down.

I shall now put the Statutory Resolution moved by the Minister on the 7th February, 2018, seeking increase in basic custom duty (BCD) on chana (chickpeas) from 30 per cent to 40 per cent to vote.

The question is:

That In pursuance of Section 8A (1) of the Customs Tariff Act, 1975, read with sub-section (3) of Section 7 of the said Act, this House hereby approves of Notification No.25/2018-Customs, dated 6th February, 2018 which seeks to increase the rate of basic customs duty (BCD) on chana (chickpeas) falling under tariff item 0713 20 00, of the Customs Tariff Act from 30% to 40%.”

*The motion was adopted.*

MR. CHAIRMAN: I would like to thank all the Members for their cooperation. Now, we will take up Special Mentions.

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### SPECIAL MENTIONS

#### **Demand to resolve the problems being faced by home loan customers due to poor functioning of private banks in the country**

श्रीमती विप्लव ठाकुर (हिमाचल प्रदेश): महोदय, मैं आपके माध्यम से वित्त मंत्री जी का ध्यान दिलाना चाहूंगी कि देश में जितने भी प्राइवेट बैंक हैं, जो होम लोन देने का कार्य कर रहे हैं, उनकी ग्राहक सेवा बहुत खराब है। ...(Interruptions)...

MR. CHAIRMAN: Mr. Tapan Sen, you know the Parliamentary practice. You are not supposed to show your back to the Chair and also to the people in the lobby.