

Income tax raids on media houses

2096. HRI RITABRATA BANERJEE: Will the Minister of FINANCE be pleased to state:

(a) a list of Income Tax raids conducted in media houses by Government in the current financial year and the corresponding reasons and the nature of the raids conducted;

(b) the corresponding leads that Government might have obtained, because of which these raids were conducted; and

(c) any particular findings by Government which were illegal or amounted to evasion of Income Tax?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) The Income Tax Department conducts search operations based on credible information of tax evasion regarding the 'persons' searched. The persons, searched may be engaged in diversified business activities, across different sectors, including media houses. However, sector-wise details are not separately maintained.

(b) and (c) The search and seizure cases are built upon various pieces of intelligence/information developed through various sources including discreet enquiries and the warrant of authorisation for search is issued only after the satisfaction of prescribed authority under Income Tax Act, 1961. The disclosure of information in respect of specific assessee is prohibited except as provided under section 138 of the Income Tax Act, 1961.

NPA's of PSBs

2097. SHRI SYED NASIR HUSSAIN: Will the Minister of FINANCE be pleased to state:

(a) whether the Non-Performing Assets (NPAs) of banks have touched an alarming level due to loans of wilful defaulters during the last three years; and

(b) if so, the details thereof along with the remedial measures taken by Government in this regard, bank-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) As per Reserve Bank of India (RBI) data on domestic operations, the aggregate gross advances of Public Sector Banks (PSBs) increased from ₹ 16,98,109 crore as on 31.3.2008 to ₹ 45,90,570 crore as on 31.3.2014. As per RBI inputs, the primary reasons for spurt in stressed assets have been observed

to be, *inter alia*, aggressive lending practices, wilful default/loan frauds/corruption in some cases, and economic slowdown. Asset Quality Review (AQR) initiated in 2015 for clean and fully provisioned bank balance-sheets revealed high incidence of non-performing assets (NPAs). As a result of AQR and subsequent transparent recognition by PSBs, stressed accounts were reclassified as NPAs and expected losses on stressed loans, not provided for earlier under flexibility given to restructured loans, were provided for. During the financial year 2017-18, all such schemes for restructuring stressed loans were withdrawn. Primarily as a result of transparent recognition of stressed assets as NPAs, gross NPAs of PSBs, as per RBI data on domestic operations, increased from ₹ 5,02,068 crore as on 31.3.2016, to ₹ 6,41,057 crore as on 31.3.2017 to ₹ 8,45,475 crore as on 31.3.2018. Their gross NPAs have declined since to ₹ 8,25,611 crore (provisional data) as on 30.9.2018, whereas, as per data reported by PSBs, as on said date, wilful defaulters' outstanding amount was ₹ 1,47,081 crore.

(b) With regard to remedial measures taken by the Government, it may be noted that a number of measures have been taken in respect of wilful defaulters, including, *inter alia*, the following:—

- (1) As per RBI instructions, wilful defaulters are not sanctioned any additional facilities by banks or financial institutions, their unit is debarred from floating new ventures for five years, and lenders may initiate criminal proceedings against them, wherever necessary.
- (2) As per data reported by PSBs, till 30.9.2018, 2,571 FIRs have been registered against wilful defaulters, 9,363 suits have been filed for recovery from them, and action has been initiated under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 in respect of 7,616 cases of wilful defaulters.
- (3) As per Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, wilful defaulters and companies with wilful defaulters as promoters/directors are debarred from accessing capital markets to raise funds.
- (4) The Insolvency and Bankruptcy Code, 2016 has been amended to debar wilful defaulters from participating in the insolvency resolution process.
- (5) Fugitive Economic Offenders Act, 2018 has been enacted to provide for attachment of property of a fugitive economic offender, confiscation of his property and disentitle him from defending any civil claim.

- (6) Government has asked PSBs to examine all accounts exceeding ₹ 50 crore, if classified as NPA, from the angle of possible fraud.

The above efforts have shown positive results, as reflected in reduction of NPAs of PSBs by ₹ 2,21,984 crore due to recoveries during the last three and a half financial years, and decline in gross NPAs of PSBs by ₹ 26,789 crore in the first half of the current financial year, as per RBI data on global operations.

Simplification of GST filing procedure

2098. SHRI T. G. VENKATESH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government is contemplating on rationalisation of GST rates, if so, the details thereof;

(b) the impact of the GST on different sectors;

(c) whether Government has taken notice of the problems of small vendors and simplified the procedure of tax paper work for them as most of them are uneducated and do not understand the tax procedure; and

(d) whether Government has any plan to reduce the present tax slabs into smaller slabs in view of the problems being faced by the people, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) and (b) The GST rates on supply of goods and services have been notified based on the recommendations of the GST Council as per Article 279A (4) (e) of the Constitution. 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. Further, the GST council has considered the requests from trade and industry and recommended reductions, by way of rationalization, in GST rates on a number of goods and services since the roll out of GST on 1st July, 2017.

(c) Yes Sir. Various measures such as simplified quarterly returns for small tax payers, assistance by GST practitioners in the filing, increase in composition scheme threshold, reduction/waiver of late fee, extensive tax payer education programme, simplification in procedure etc. have been taken for the benefit of small taxpayers.

(d) Question does not arise, in view of reply to part (a) and (b) above.