

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RADHAKRISHNAN P.): (a) and (b) No, Sir. A Committee under the Chairmanship of Dr. Bimal Jalan has been constituted on December 26, 2018 to look into this matter. The report has not been finalised.

(c) The surplus amount transferred to the Government by RBI during the last two years is tabulated below. The amount of surplus to be transferred for 2018-19 would be ascertained only after closure of books of RBI's accounts in June, 2019.

Table: Surplus paid by RBI to the Central Government (GoI)

Financial Year of Government	Amount Received (₹ in crore)	Date of credit in Government A/c	Surplus for the financial year of RBI
2016-17	65,876	11-08-2016	2015-16
2017-18	40,659*	10-08-2017 and 27-03-18	2016-17
2018-19	40,000	08-08-18	2017-18

\* Includes an amount of ₹ 10,000 crore as interim surplus, received by the Government on 27.03.2018, out of the total surplus of ₹ 50,000 crore for the financial year 2017-18 of RBI. The financial year of RBI is reckoned for the period July - June, while that for the Central Government is April-March.

While finalising the Non-Tax Revenue (NTR), for inclusion in BE 2018-19, estimated dividend/surplus from RBI, PSBs and financial institutions was considered at ₹54,817.25 crore including ₹45,000 crore as surplus transfer from RBI, whereas the actual amount of surplus received is ₹ 40,000 crore in financial year 2018-19 of the Government.

(d) and (e) The Government has requested RBI for an interim surplus on the analogy of previous year when interim surplus was requested by Government and transferred by RBI to the Government.

#### **India's ranking in the Human Capital Index**

2915. SHRI KAPIL SIBAL: Will the Minister of FINANCE be pleased to state:

(a) whether World Bank report on human capital has ranked India at 115 position among 157 countries in the Human Capital Index (HCI), if so, the details thereof;

(b) whether it is a fact that Government has rejected this report, if so, the details thereof and if not, the reasons therefor; and

(c) the details of reports of the World Bank in which India has been ranked and whether these reports have been accepted by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RADHAKRISHNAN P.): (a) The Human Capital Index (HCI) of the World Bank is supposed to measure the amount of human capital that a child born today can expect to attain by age 18, given the risks of poor health and education that may exist in the country where she lives. The HCI has three components, namely (i) Survival, as measured by under-5 mortality rates; (ii) Expected years of Quality-Adjusted School which combines information on the quantity and quality of education; and (iii) Health environment using two proxies *i.e.* adult survival rates and the rate of stunting for children under age 5. HCI measures the outcomes for each country as fraction of a maximum value of 1. With an index estimated at 0.44, India is ranked 115 out of the 157 countries for which the HCI has been constructed.

(b) The Government has reservations about the HCI primarily on account of the following:—

- (i) Major methodological weaknesses and substantial data gaps;
- (ii) Slow moving nature of some of the indicators, on account of which, one of the stated purpose of the Index, namely to create political incentive for increased spending on health and education, may not be achieved;
- (iii) Non-availability of a means to measure and improve the cost-effectiveness of spending on health and education, which would have been relevant especially for developing countries; and
- (iv) Key initiatives being taken for developing human capital in India not reflected in the HCI score.

The Government has, therefore, decided not to take cognizance of the HCI.

(c) In recent years, the World Bank has ranked India in its Ease of Doing Business (EoDB) and Logistics Performance Index (LPI) Reports. The details are given below:—

- (i) EoDB rankings are released in the Doing Business Report annually. India has been ranked 77 out of 190 countries in the report titled, "Doing Business 2019-Training for Reform", released in October, 2018.

(ii) Rankings based on LPI are released biennially. India has been ranked 44 out of 160 countries in the report titled, "Connecting to Compete 2018- Trade Logistics in the Global Economy", released in July, 2018.

The Government has taken note of the above.

**Standard deduction for salaried employees**

2916. KUMARI SELJA: Will the Minister of FINANCE be pleased to state:

(a) whether Government has any plans to introduce standard deduction for salaried employees with respect to the Income-Tax Act, 1961;

(b) if so, the details thereof and if not, the reasons therefor;

(c) whether the Ministry has received any suggestions regarding standard deduction for salaried employees; and

(d) the details and the share of taxes received from salaried employees in the country out of the entire direct tax collection in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) to (c) Section 16 of the Income-tax Act, 1961 (the Act), *inter alia*, provides for certain deductions in computing income chargeable under the head "Salaries". Finance Act, 2018 amended Section 16 of the Act to allow a standard deduction up to ₹ 40,000 or the amount of salary received, whichever is less.

(d) Data regarding tax paid by salaried individuals is not separately maintained. Moreover, since "salaried employees" is not a separate category of taxpayer under the Act (as an individual may have income from sources other than salaries also), it is not feasible to compile such information.

**Long term capital gains on equity shares**

2917. KUMARI SELJA: Will the Minister of FINANCE be pleased to state:

(a) the details of taxes collected by Government in the form of long term capital gains on equity shares and equity oriented mutual funds since the introduction of the provision; and

(b) whether the levy of Securities Transaction Tax and long term capital gains on the equity shares amounts to double taxation?