

**Reduction of income tax under Direct Tax Code**

209. SHRI NEERAJ SHEKHAR: Will the Minister of FINANCE be pleased to state:

- (a) the details of the recommendations of the panel on Direct Tax Code;
- (b) whether Government proposes to reduce personal income tax as per the recommendations of the above panel;
- (c) if so, the details thereof and the timeline therefor; and
- (d) if not, the reasons therefor?

THE MINISTER OF STATE IN MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR): (a) to (d) In order to review the existing Income-tax Act, 1961 and to draft a new direct tax law in consonance with the economic needs of the country and to submit report in this regard, the Government had constituted a Task Force *vide* Office Order in F.No. 370149/230/2017 dated 22.11.2017. Subsequently the Task Force was reconstituted *vide* orders of even number dated 26.11.2018 and 24.06.2019. The Task Force so reconstituted has submitted its report to the Government on 19.08.2019.

The recommendations of the Task Force have not been made public. Further, no decision has yet been taken on the recommendations of the Task Force.

**Improving the conditions of PSBs**

210. DR. SASIKALA PUSHPA RAMASWAMY: Will the Minister of FINANCE be pleased to state:

- (a) whether Government has taken any steps to improve the conditions of Public Sector Banks (PSBs), which are only hope and source of financial help for more rural as well as urban people;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR): (a) to (c) Government, as part of its 4R's strategy of Recognising non-performing assets (NPAs) transparency, Resolution and Recovery, Recapitalisation and Reforms, has taken steps to improve the conditions of Public Sector Banks (PSBs).

Stressed assets were recognised transparently as NPAs and expected losses on stressed loans were provided for and, further, schemes for restructuring stressed loans were withdrawn. To improve resolution and recovery, the Insolvency and Bankruptcy Code was enacted and number of recovery related reform measures effected, enabling recovery by PSBs of ₹ 3,83,618 crore over the period from April, 2014 to June, 2019, including record recovery of ₹ 1,27,987 crore during the last financial year. To recapitalise PSBs, Government infused ₹ 3,13,301 crore in PSBs since April, 2014 and, in addition, PSBs have mobilised ₹76,123 crore from the markets. Reforms were effected for Enhanced Access and Service Excellence (EASE) under a PSB Reforms Agenda, which aimed at improving customer responsiveness, deepening financial inclusion and digitalisation, serving MSMEs better, and enabling credit off-take, besides improved governance, prudential lending, better risk management and technology-driven checks and controls.

As a result of successful implementation of the 4R's strategy, aggregate gross NPAs of PSBs, as per RBI data on global operations, have declined from a peak of ₹ 8,95,601 crore as on 31.3.2018 to ₹ 7,89,569 crore as on 31.3.2019, registering a reduction of ₹ 1,06,032 crore. Further, PSBs have returned to profitability in the current financial year, reporting aggregate profit of ₹ 3,221 crore in the first half of the current financial year.

*Note:* Figures cited above for PSBs include those for IDBI Bank Limited, which was recategorised as a private sector bank by RBI with effect from 21.1.2019.

### **Shortage of staff in PSBs**

†211. SHRI NARAYAN RANE: Will the Minister of FINANCE be pleased to state:

(a) whether Government is aware of the fact that there is a huge shortage of staff in Public Sector Banks (PSBs) due to which they are not able to perform their work properly;

(b) the details thereof along with the response of Government in this regard; and

(c) the steps taken by Government to do away with the shortage of staff in banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR): (a) to (c) No, Sir. As per inputs received from Public Sector Banks

†Original notice of the question was received in Hindi.