

श्री इमरान प्रतापगढ़ी: सर, दो मिनट का समय दे दीजिए।...(व्यवधान)...

MR. CHAIRMAN: Against the rules, not even a second. Within the rules, I can moderate the time. The question is:

That leave be granted to withdraw a Bill to provide for the Eviction of unauthorized occupants from waqf properties and for matters connected therewith or incidental thereto.

The motion was adopted.

SHRI KIREN RIJJU: Sir, I withdraw the Bill.

MOTION UNDER RULE 117

MR. CHAIRMAN: Now, Shri Kiren Rijju to move a Motion under Rule 117 of the Rules of Procedure and Conduct of Business in the Council of States.

THE MINISTER OF PARLIAMENTARY AFFAIRS; AND THE MINISTER OF MINORITY AFFAIRS (SHRI KIREN RIJJU): Sir, I move:

That the debate on the Constitution (Amendment) Bill, 2022, (Amendment of Article 16), by Shri Javed Ali Khan, and the discussion be adjourned for a day allotted for the Private Member's Legislative Business (Bills) during the next Session of the Rajya Sabha.

The question was put and the motion was adopted.

GOVERNMENT BILLS - (Contd.)

The Jammu and Kashmir Appropriation (No.3) Bill, 2024

The Appropriation (No.2) Bill, 2024

&

The Finance (No.2) Bill, 2024

MR. CHAIRMAN: Now, hon. Finance Minister, Smt. Nirmala Sitharama, to reply to the combined discussion on the Jammu and Kashmir Appropriation (No.3) Bill, 2024,

the Appropriation (No.2) Bill, 2024, on which discussion was completed yesterday and the Finance (No.2) Bill, 2024. Hon. Finance Minister.

SHRIMATI NIRMALA SITHARAMAN: Thank you very much, Sir. As you have just rightly pointed out, it is a reply to the points raised during the debate on three different Bills, namely, (i) The Jammu and Kashmir Appropriation (No.3) Bill, (ii) The Appropriation (No.2) Bill which have come from the Lok Sabha, together with (iii) the Finance (No.2) Bill, 2024. Sir, the Appropriation (No.2) Bill of the Union Government and also of the Union Territory were discussed since yesterday.

I will respond to individual Members, who have raised their views on the subject, but, broadly, keeping in line with the Vote on Account Budget which was passed in February. The Budget of 2024, presented on July 23, 2024, highlights and continues the feature that capital expenditure will be sustained, as was indicated earlier, at Rs.11.11 lakh crores. This will include Rs.1.50 lakh crores, which will be given as financial assistance to the States for capital expenditure, which is interest free for 50 years. Actually, Rs. 11 lakh crores itself is a big number. But if we look at the effective capital expenditure, that is, our capital expenditure and also the money given to the States and Autonomous bodies etc. of centre as Grants-in-Aid for creating capital assets, -- in our accounts it does not get counted as capital whereas in the States it gets counted as capital — if I were to look at both the capital assets, the effective capital expenditure can be pegged at Rs.15.02 lakh crores or 18 per cent over 2023-24. That we are continuously, ever since COVID, emphasizing and spending higher and higher amounts in capital expenditure partly answers the questions which were raised by Shri Jairam Ramesh later. He had said, “I have four issues, you answer on them.” One of them, he probably, implicitly agreed that this is one engine which is anyway happening, but that engine is happening in full throttle, as a result of which, it has a bearing on the private investment, consumption, and in a way also helps in pumping exports. So this one big engine, consistently between 2020 and today, increasing more and more amounts, the actual growth between one year and the other, is also on a higher graph. So, it is important that we have recognized that ours is an economy which is COVID affected, and an economy which requires to stand on its own considering the global challenges which are mounting each year. Since after COVID, you had one war, then a second war, and both the wars have not abated. Then you have a problem in the Red Sea, then you also have a problem of the global currency markets and also the Japanese carry trade business, which has affected the trust in the global markets and so on. All of these are growing in the number of challenges that India has to face. We can always say ‘global

challenge', and leave it at that. But, each one of the challenges has an impact on India and despite that, since after COVID, emphasis has been given on capital expenditure, whose multiplier effect, whose traction is so much in the economy. It is an established theory that you spend on capital and you reap the benefits of sustained growth, whereas if you spend on revenue, you do not get that kind of a return. That is what the multiplier effect is. And, that multiplier effect has sustained India as a fastest growing economy, continuously since after COVID. And, we shall be the fastest growing economy, even this year, and that is not just me saying, the global observers have said. So, this route, that Prime Minister Modi has clearly identified as one of the very tested fine routes for countries like India, is standing by us in not only meeting domestic challenge of reviving the economy after COVID, but also meeting the global increasing number of challenges. So I want to clearly place emphasis on this and, in that, we are not doing it all on our own. We are making States also take up capital expenditure by giving them interest-free 50-year loans, which eventually will be treated, probably, as grants only. So States are now being able to strengthen their capital expenditure and many States are completing long-pending projects or taking up newer projects, as a result of which economy around it is getting enough traction.

So, while saying that, I also want to clearly put on record that the total resources proposed for transfer to States in 2024-25 is estimated to be Rs. 22.91 lakh crores. It entails an increase of about Rs. 2.49 lakh crores over 2023-24. So, there is an increase between last year and this year, and this is the range at which we are devolving resources to the States. Similarly, outlays for all Union Territories have increased from Rs. 61,118 crore last year to Rs. 68,660 crore this year. This is for all the UTs for this year.

Sir, I have also announced a slew of measures aimed at adding employment because employment-intensity to India's growth story is a very critical component and through renewed impetus being given to manufacturing sector, I had detailed the various steps that we had taken for supporting the manufacturing sector. But, very clearly, the manufacturing sector and its contribution, which I will explain in a minute more, proves that these policies that we have taken up to support manufacturing is actually paying good rewards. So, overall, the aim is, boosting domestic employment opportunities thus ensuring high and sustainable growth in India's share to the global GDP over the next five years.

Sir, there were a lot of concerns expressed, even when we were discussing the Budget Speech, during the General Discussions, as to whether we have cut down on resources being given to the social sector. I would want to take this opportunity

once again to address it. I did it last time. I will say it now as well. Sir, I seek your permission for it.

Sir, in 'Agriculture and Allied Sectors,' we have not cut down. On the contrary, more is being given. Rs. 1.44 lakh crores was the allocation last year; this time, it has gone to Rs. 1.52 lakh crores; Rs. 8,000 crore more than the last year, and Rs. 1.22 lakh crore more than the BE of 2013-14. In 'Education, Employment and Skilling, a very important sector, Rs. 85,000 crore was the allocation in 2013-14. Last year, it was Rs. 1.20 lakh crore. This year, it is Rs. 1.48 lakh crores. So, there is 23 per cent more allocation, that is, Rs. 28,000 crores more than the last year. Now, take 'Women and Girls'. I did hear quite a few hon. Members speak, saying allocation for women is not substantial. I am afraid, it is not, Sir. It is substantial. It was Rs. 96,000 crore in 2013-14. Last year, it was Rs. 2.31 lakh crore. This year, it is Rs. 3.27 lakh crores. So, there is forty-one per cent more allocation, or, Rs. 96,000 crores more than last year. 'Rural Development including Infrastructure' had Rs. 87,000 crores in 2013-14, whereas, last year, it had Rs. 2.38 lakh crores. This year, it is Rs. 2.66 lakh crore. So, there is 11.7 per cent more allocation, that is, Rs. 28,000 crore more than the last year. For 'Urban Development', which is important for many of the cities which expect to grow because the population is also growing in them, Rs. 12,000 crores was the amount in 2013-14. In 2023-24, it was Rs. 76,000 crore. Now it has gone up to Rs. 83,000 crore; Rs. 7,000 crore more than the last year. For 'Health and Social Welfare' on which a lot of Members have expressed concern, Rs. 72,000 crores was given in 2013-14. In the last year, it was Rs. 1.43 lakh crores. Now it has gone to Rs. 1.46 lakh crore; Rs. 3,000 crore more than last year.

Sir, in a nutshell, this year, the Union Budget balances several overriding imperatives -- growth, employment, welfare spending, capital investments, and fiscal consolidation. We have tried to balance all these without compromising on any one sector, and I am glad to say, eventually, even on fiscal consolidation, we have kept our word up, the word given in 2021 that there will be a glide path for fiscal deficit management, and that has been kept up. We have kept the word, and, therefore, ...

6.00 P.M.

MR. CHAIRMAN: Hon. Members, it is now 6.00 p.m. If the House so agrees, we may sit beyond 6.00 p.m. today till disposal of the Appropriation Bills and the Finance (No. 2) Bill, 2024, and Special Mentions. Do I have the leave of the House to extend the sitting beyond 6.00 p.m.?

SOME HON. MEMBERS: Yes.

MR. CHAIRMAN: Hon. Finance Minister, please continue.

SHRIMATI NIRMALA SITHARAMAN: Thank you, Sir. So we have tried balancing all these overriding imperatives and I think, hon. Members would recognize that given our constraints, we have tried maintaining the balance and, I would think, succeeded in maintaining that balance.

Sir, the creation of the internship opportunities that we have brought in for first time job seekers and skill development, I would think, are very critical this year and the first few steps leading towards *Viksit Bharat* in 2047. Augmentation of the social sector spending with a thrust on human development and comprehensive social security, particularly for the disadvantaged sections of our society, is something which I would again draw your attention to. So, the two guiding principles, if I can summarize it that way, are social inclusivity of people from all strata and equitable development of all regions by adopting a whole-of-nation approach. And that is what I think would address the high aspirations and expectations of our people.

Sir, if I can quickly summarize on the Budget for Jammu and Kashmir, the important point which I would place on record, which people who have gone through the Budget would realize, is that the fiscal health of the State is coming into the groove from where it was earlier. It required a lot of management by the administration. We have definitely taken the burden of managing the State Police's expenditure, and a substantial financial support of Rs. 17,000 crore to a State has been extended in this Budget. As a result of these kind of steps that we have taken sitting with the Union Territory of Jammu and Kashmir authorities, I can tell you that the Fiscal Deficit of the GSDP is estimated to fall to about three per cent in 2024-25, which is remarkable, I would think and, I would appreciate the officials who are managing the economy in J&K for having completely removed the legacy problems that they had, and to get the economy on course. I think they have done remarkable, done a very detailed kind a work and J&K administration, therefore, requires a word of appreciation from this august House.

Sir, broadly, with these summary remarks on the Appropriation Bill and also Jammu and Kashmir, I would like to come to the first section of responding to hon. Members who have spoken on the J&K Appropriation Bill and also on the Appropriation Bill of our Budget this year, before I talk on the Finance Bill-related observations of hon. Members. Sir, hon. Member, Shri Digvijaya Singh, had raised quite a few concerns. I cannot see him here, but he raised quite a few points, which,

largely, I thought were coming from the political interpretation of what he sees in the Budget process, but I would like to respond to three of those points. First of all, he seemed to be impressed by the global Hunger Index. I have said this in this House earlier, and also in the Lok Sabha, that it is a flawed Index. Their calculation is completely inexplicable. They can't stand up and say why it is so for some countries and why it is slightly different for some other countries. If I would just lay the examples before you and tell you why I am saying it is a flawed index, that would be explanation enough to answer hon. Member, Shri Digvijaya Singh.

Conflict ridden countries like Sudan, Malawi, Burkina Faso and Mali are all higher than us in the Index. Pakistan too is higher than us in the Index. Nothing wrong with countries being above us if they have to be there; I don't grudge it. But, then, they are higher than us, knowing very well the economy there have serious basic problems. The Index does not explain as to how these countries are higher. When we say, we have taken care of feeding of the poorest of the poor, I am not getting into the numbers. Otherwise, they would say, 'Oh! 80 crore of your people are poor'; I am not getting into that. But ensuring that nobody remains hungry, we have ensured distributing grains to 80 crore people since 2020 and it seems that the Global Hunger Index has not taken that on board. When people are standing, the poorest of poor people are standing, for corn and corn starch in Mali in queues and for *atta* in Pakistan, that economy seems to be defeating Global Hunger Index lower rankings and going up, whereas we are put somewhere below. So, I would want to highlight to hon. Member, Shri Digvijaya Singh, that you, please, question us based on studies that you do in this country and we are willing to answer, but this Global Hunger Index is flawed. In the recent Report of National Family Health Survey 2019-21, the nutrition indicators for children under five-year-old have improved compared with NFHS-4. This is NFHS-5 that we are talking about. NFHS-4 relates to the period 2015-16, whereas this one that I am talking about relates to the period 2019-21. Stunting has reduced from 38.4 per cent to 35.5 per cent in India. Wasting among children has reduced from 21.0 per cent to 19.3 per cent. Underweight prevalence has reduced from 35.8 per cent to 32.1 per cent. These are very, very, riveted numbers which, if we have to remove and bring them lower, require a lot of effort. These are very, very entrenched numbers. But, now, these numbers are showing that there is a clear sign of coming down. It is because of nutrition reaching these families and, therefore, this Hunger Index has got to be reviewed, and I would not want hon. Member, Shri Digvijaya Singh, to rely so much on a flawed Index. The next issue that he also highlighted was that net financial household savings are lowest. I want to highlight the fact that the country is witnessing a lot of change in terms of smart portfolio

diversification. Small savings are also finding portfolios which are giving them better returns. So, they may not be sitting in a post office or they may not be sitting in a public sector bank for a savings account or small time fixed deposit. They are finding different portfolios which are giving them probably better returns. Every individual decides for himself. They are also investing in property and property improvements. So, they may be living in a small house which has a bedroom, a kitchen and so on. Now, they are investing in making one more additional room to their houses. So, money is going not into the deposit, sometimes it is going for asset creation. Those do not get counted at all. And even better, when we were talking about rationalising capital gains tax, a number of people came back to say, "why you are now even bringing in a small increase in Futures and Options, the trading that happens in Futures and Options". I was surprised because people, who told me this, were very middle class people. I said, Futures and Options! You would expect people have that kind of a disposable income to trade in Futures and Options! But, people have become smarter. They are able to make sense of it. They are better informed even, probably, to put money there and get smaller returns for themselves, and, therefore, today, small saving is alone not the portfolio. People have found different portfolios which are helping them. So, I need to highlight the fact that financial household savings today, when you are counting that, you will have to include the other portfolios which are available for small families. Growth in housing sales in cities has been particularly impressive, indicating that urban households are diversifying the deployment of their savings. In 2023, residential real estate sales, in India, were at their highest since 2013, witnessing a 33 per cent year-on-year growth with a total sale of 4.1 lakh units in the top eight cities. So, people are moving to thinking in terms of having their savings become investment into properties and also into portfolios which give them better returns. I want that fact to be taken on board by Shri Digvijaya Singh. Third, Sir, he stated that unemployment is increasing and labour-intensive sectors, like textile sector, are being ignored, which is not the case. And, he did say that only in this Budget, you are supporting textiles and leather, but not earlier. That is not true. For quite a few years, we have been sustaining our interest and making sure that support is extended through various different ways for labour-intensive sectors. While I can go about telling about what is the Periodic Labour Force Survey, saying how the employment numbers are going up and unemployment is coming down, I will use this example of supporting women in the workplace, which we have done, which is showing results. So, if women's data is improving, you can safely assume that men's data equally is going up. If I were to say the reverse, it may not be holding good. But, female enrolment in higher education has increased by 32 per cent since

2014-15. Women's labour force participation has risen to 37 per cent in 2022-23, from 23.3 per cent in 2017-18. This increased participation of women in the labour force has reversed the steady decline that was observed during the UPA era. To sustain this momentum, this Budget has allocated more than Rs.3 lakh crores to schemes benefiting women and girls. Also, in collaboration with industry, we will set up working women's hostels, establish creches, organize women-specific skilling programmes, and promote market access for women SHG entrepreneurs. So, hon. Member, Shri Digvijaya Singh, should actually look at various different sources before he has reasons to believe what he said. I would direct his attention towards that. I have tried, therefore, to address issues raised on unemployment by very many different Members. I am not mentioning the names. I have a list here. Regarding the social sector public spending, and even during the Budget Speech, I did say that concern of few Members that attention is going only to some States and not other States, I think, I have dispelled that, but these issues have been addressed.

Now, I come to the Finance Bill. I will give a brief opening remark and then go to talking about specific issues which the hon. Members have raised. This Finance Bill has, actually, a very clear route. It is ambitious. We have tried to create a taxation system that is simple, that is equitable and easy to administer, the system that recognizes the efforts of the taxpayer in nation building. We trust the taxpayer and we want to give him, or her, a simplified taxation scheme of things. So, the revenue proposals, which have been brought in here, focus on two areas - ease for taxpayers by simplifying tax laws and procedures, and also facilitation for growth and employment.

Largely, the debate on Finance Bill has been confined to the statement, 'You are not doing enough for the Middle Class'. So, I just want to highlight the specific steps in this Budget and the one before as also included in the fiscal measures that have been taken in the Finance Bill. Sir, in 2023, the slabs for personal income tax were significantly liberalized under the new tax regime. All taxpayers had a reduced tax liability of up to Rs. 37,500 last year. This Government has revised the slabs in the new tax regime this time also. That was explained earlier also but let me repeat it. Sir, Rs. 17,500 is the effective relief for the salaried class. Standard Deduction for salaried employees has also been increased from Rs. 50,000 to Rs. 75,000 in this Finance Bill. Deduction on family pension for pensioners is proposed to be enhanced from Rs. 15,000 to Rs. 30,000. For the salaried employees, deduction on Employers' Contribution in case of employees of private sector -- it was missing all these years; the public sector employees had it, but private sector employees will get it now --

and public sector banks opting for new tax regime has been raised from 10 per cent to 14 per cent in this Budget. So, I just want to highlight the facts.

Compared with very many developed economies, which have actually increased the tax rates, despite the pressure from Covid times, we have actually reduced the burden on middle class substantially. The effective tax on an income of 15 lakh of rupees is reduced to 10 per cent in 2023 under the new regime and has been further reduced this year. So, I want that number to be clear for people who are earning 15 lakh of rupees. Since the last Budget to this one, the effective tax is only 10 per cent. This is a clear middle-class friendly approach by using the new tax regime.

Sir, even as I was coming here, in the afternoon, I had a young journalist telling me, 'Madam, thank you very much'. I said, for what? She said, I got my refund this time within a week. The former CBDT Chairman is here reporting to you, as you said yesterday.

MR. CHAIRMAN: Yes, he reported it.

SHRIMATI NIRMALA SITHARAMAN: Refunds have been handled systematically in the last few years. It is one of the biggest things, which the CBDT has handled. And, continuously, from last three years, each year, we are improving our performance. Today, I had this young journalist telling me this thing; I was anyway going to tell the hon. Members of this House that from 93 days in 2013-14, which was the time it took for refunds to reach people, it is today only 10 days. You pay the tax and within 10 days, you get the refund that is due to you. I would also like to remind, Sir, from the days of 'tax terrorism and rent-seeking', today, we have a faceless regime which has infused confidence in the minds of the taxpayers. We trust the taxpayer. He should just fill up the pre-filled forms, which come to him and his returns are filed. We also periodically come up with *Vivad se Vishwas* Schemes, which are aimed at reducing litigation so that all the pending litigation can be cleared and demands also can be removed. So, this has brought relief to a lot of taxpayers, particularly the MSMEs, individuals, and small corporations.

Sir, small, old, petty and unverified tax demands of 90 lakh taxpayers were removed from the records as announced in the Interim Budget, 2024. Ninety lakh taxpayers' pending unverified tax demands have been removed! Actually this corresponds to 1.1 crore entities. So that is the kind of relief and this largely benefits the middle class. Angel tax was removed. I don't need to go into it. It was brought in 2012. We tried doing several things to make it softer rather than making it a kind of exploitative tax -- this is what the Congress party's description of angel tax was. They

brought it in, so they should know about it. And they said that it is exploitative. We have removed it. Sir, we have also announced a comprehensive review of the Income Tax Act in this Budget. It is not going to be forever. Six months is the time I have given them. Within six months, we should have a simplified version which, after due consideration, will, obviously, be brought to this House, and Members will be briefed on it and the approval will be sought.

The monetary limit for filing appeals related to direct taxes has also been enhanced so that small amounts, small demands are not getting too frequently going on appeals. So, whether you are going in front of the tax tribunal, High Courts or Supreme Court, the amounts have been enhanced. Sixty lakh rupees is the amount now, which was earlier fifty lakh rupees for the tax tribunals. Two crore rupees for the High Court now; earlier it was one crore rupees. And five crore rupees for the Supreme Court; earlier it was two crore rupees. This will, I hope, reduce litigation and promote ease of doing business. There is also one very good news which I want to share. As a consequence of the proposed upward revision of monetary limits in Finance Bill 2024, which is what I explained a minute ago, a total of 7,754 appeals -- 1,044 appeals pertaining to indirect taxation and about 6,710 appeals of direct tax -- are likely to be withdrawn from the various judicial fora. Whether it is the Supreme Court, High Court, CESTAT or ITAT, we are going to withdraw all of them. That will directly give relief to a lot of small businesses and middle class people. This is about direct taxation, Sir.

Just two quick points on the indirect taxation. On the customs side, we aim to boost domestic production and enhance export competitiveness by reducing duties on raw materials, inputs, particularly for the labour-intensive sectors so that their products can become cost-effective. Rate cut on certain inputs for labour-intensive industries, such as leather and textile sector, is also noteworthy. Exemption and reduction on 27 critical minerals such as lithium, cobalt, etc., have been brought in because we want to strengthen our strategic autonomy. Duty rate cuts are proposed on precious metals. That was also one of the questions which some hon. Members asked, 'Why did you want to cut duty on platinum whereas you are increasing it elsewhere'. We are not increasing it anywhere. But in case of platinum, we had to because it is a part of the gems and jewellery trade, which is of big export earnings. It is not just the platinum, but because it moves along with precious metals, we had to deal with platinum this time. Bringing it down is along with gold because normally because of certain blending of precious metals, platinum also goes with that basket of precious metals.

On the capital gains, I think much has been said, much has been heard. I just want to say one line. We did receive a lot of representations post our Budget, which was presented on 23rd July, particularly for long term capital gains without indexation, which is what we have brought in at 12.5 per cent. But then, having heard a lot of inputs which have come from people, we have brought in a Government Amendment and changed that. So, for the current tax proposal for land and building assets acquired by individuals and HUF before 23rd July, 2024, it stipulates that 'in the case of transfer of a long-term capital asset, being land or building or both, by an individual or HUF, which is acquired before 23rd July, 2024, the taxpayer can compute his taxes under the new scheme, that is, 12.5 per cent without indexation and old scheme, that is, 20 per cent with indexation, and pay such tax which is lower of the two.' So, we are giving the option to the taxpayer. You try working out the numbers through this scheme without indexation, 12.5 per cent, or you go through with indexation at 20 per cent and see which is going to give you the lower rate, and do pay your tax only on the lower rate.

We have given that option to the assessee. I think this is a very progressive and looking forward kind of an approach in dealing with the inputs which we have received from the people. This ensures that no one faces additional tax burden due to this change. Furthermore, rollover benefits remain unchanged from the earlier provisions. What is the rollover benefit? Rollover benefit allows taxpayers to defer the payment of capital gains tax by reinvesting the proceeds from the sale of an asset into another specified asset within a specific timeframe. Whether it is another one or two, he can invest and up to Rs.10 crore will be entertained. The rollover facility softens the attempt of tax in case of long-term capital gains tax on the middle class. This means that home-owners have an option to reinvest their proceeds up to Rs.10 crore in another property without paying the long-term capital gains tax with specified conditions under Section 54.

Sir, I will now come to the much talked-about GST on health insurance premium. I did mention it in detail in the Lok Sabha when I spoke about it. I will say it here as well, for the hon. Members who have raised it in this august house. It was a bit disappointing to see a matter which is entirely in the realm of the GST Council.

SHRI SHAKTISINH GOHIL: Sir,...(*Interruptions*)...

MR. CHAIRMAN: Are you yielding?

SHRIMATI NIRMALA SITHARAMAN: No, Sir. I am speaking. Actually, it is in the realm of the GST Council. No way by protesting here or telling that the Finance Minister should do it, the seriousness of what we are talking can be missed out. The seriousness of this..

MR. CHAIRMAN: 'Protest' is substituted for 'reflecting.' In this House, we reflect and contribute.

SHRIMATI NIRMALA SITHARAMAN: And, therefore, I would like to give the facts before this august House, Sir. The point is this. I have to say this and I will say it. Before GST too, medical insurance premiums were taxed. I have quite a few voices which tell me, 'So are you saying it was there then and you won't do anything about it?' Answer is, 'No.' But I need to answer those issues. They pretend to believe that it is a sin which has come after GST has come in. I am sorry. It existed before GST. Let us address each one of the issues. I am not here to justify this way or that way. Now that they have heard all of us speak about it, let the GST Council take a call. But let us also not look the other way when the facts are before us. GST came in 2017. Prior to GST coming in, every State levied taxes on the premium collected on insurance. Let us concede that first. Let us have that before us. And if it is before us, you would now say, 'Modi ji brought GST. How heartless are you?' I am sorry. Hang on, even in the GST Council, after 2017, this issue was discussed three times, namely, 31st meeting on 22nd December 2018; 37th meeting on 20th September 2019; and 47th meeting in June 2022. This issue had been taken up by the GST Council. Who are the Members sitting in the GST Council? The Finance Minister of every State. All the States' Finance Ministers hold two-thirds voting power in the GST Council. And the Central Government, with the Chair, has one-third voting power. The decisions that are taken there are taken with inputs from every State Finance Minister.

They can belong to any party. So, the question which I want to ask from the hon. Members, who protested with placards here, is: Did they write letters to their own Finance Ministers to say, "Hey, what are you doing, why did you not take this up in GST Council? Much before I go to Delhi and scream about it, I want you, as a representative of my party running this Government in this State, to make sure that the GST Council will only take a decision which we want." What stopped any one of them to do that there? It was just to grab an opportunity, which came by their side because some Minister wrote a letter and somebody, who was a part of the delegation and who, without the permission of the Minister, put it out in public domain, and then with due respect, everybody comes in, inclusive of some Chief

Ministers, to say, "Oh yes, I am also supporting that the Finance Minister should now withdraw it." Finance Minister is a Chair there; all right, but it is part of the GST Council. I wish individual State Chief Ministers or Members of Parliament wrote to their respective Finance Ministers and say, "Go now; make sure the next GST Council meeting takes this up." No, they didn't do this. हिन्दी में जो बोलते हैं कि राजनीतिक रोटी सेंकने के लिए, यहाँ पर खड़े होकर यह कहना कि निर्मला सीतारमण जी, मोदी जी, यह क्या तरीका है कि आप मिडल क्लास के लोगों के हेल्थ प्रीमियम के ऊपर जीएसटी कलेक्ट कर रहे हैं? ऊपर से 25,000 करोड़...(व्यवधान)... No, Sir. ...(Interruptions)... I am not yielding. I heard all of them.

MR. CHAIRMAN: One minute. He has a point of order. ...(Interruptions)... No, no; she is not yielding.

SHRIMATI NIRMALA SITHARAMAN: Sir, I will finish this and, with your permission, I will hear all of them. With your permission, I will hear all of them once I finish this. आधा-अधूरा नहीं चाहिए। I will seek your permission.

MR. CHAIRMAN: Madam, only those who are willing to make contribution; otherwise, I will have to hear all of them.

SHRIMATI NIRMALA SITHARAMAN: Sir, I leave it to you.

MR. CHAIRMAN: Okay.

SHRIMATI NIRMALA SITHARAMAN: Sir, then, there was this whole report which was based on some kind of a Parliament reply or RTI or whatever which got carried in a newspaper also. It said that an amount of Rs.24,529 crore has been collected as GST on medical insurance. Rs.24,000 crore! The headline of that news was that the Centre pocketed it -- an amount of Rs.24,529 crore was collected as medical insurance premium and this was pocketed by the Centre. Even today, when hon. Members spoke, they said that this is daylight *. I heard three hon. Members say that it was daylight *. With due respect, I want to submit that we may agree with a particular taxation, we may agree with a particular rate in a particular taxation, which has been on a particular item, or we may not agree. But that is a constitutional body

* Expunged as ordered by the Chair.

as much as the Parliament is here. In their wisdom, they have taken a call. We may agree, we may not agree, we may go and say that no, this is wrong and you reconsider it. But to call it daylight * where their own Finance Ministers are sitting and with their signature, it has been cleared. Daylight * Constitutionally formed GST Council में daylight * हो रही है। यह बात इस सदन में बोली जा रही है। I am sorry. We need to look at what is going on. An amount of Rs.24,529 crore has been collected. All right! Fifty per cent goes straightaway to the States; the rest 50 per cent comes to us; and, from the rest 50 per cent, again 41 per cent goes to the States. So, I will bring it down simplistically. If Rs.100 are collected, first Rs.50 goes off to the States. My share is another 50 per cent. उसमें से भी 41 per cent is given, meaning Rs.21.09; let us round it off to Rs.21 only if not Rs.22. It is Rs.50 plus Rs. 21.71 रुपए आपके पास जाता है और आप इधर बोलते हैं कि मोदी सरकार, केन्द्र सरकार ने मेडिकल इंश्योरेंस पर 24,000 करोड़ रुपए ले लिये। Let us have some -- I don't know if I am using the right word -- आप थोड़ा सब्र रखें। पहले आप अध्ययन कीजिए, उसके बाद बात कीजिए। उसके बाद मैं जवाब देती हूँ। इन्होंने नंबरर्स हवा में ऐसे ही उड़ा दिये! जीएसटी का एलॉकेशन किस तरीके से होता है, इसको भी समझना चाहिए। आप अपने फाइनेंस मिनिस्टर को बाईपास करके पार्लियामेंट में सीधे हमारे ऊपर हमला करते हैं। Parliament cannot bypass GST Council. Then, some people come saying: "Bring in this Finance Bill, an Amendment that this 18 per cent will be brought down." It is constitutional impropriety. There is a GST Council. यह उनको निर्णय करना है, जबकि आप उस सब्जेक्ट को यहां उठा रहे हैं। प्लीज, आप प्रोसेस को थोड़ा समझ लें।

Sir, I humbly submit that not only the Finance Ministers of every State are sitting to take the final call on every rate which is determined on items, there is a Fitment Committee which looks into these things much before it comes to the Council before the Ministers. The Fitment Committee is not made up of anybody whom we choose. They are officers. It is full of officers, but every State is represented in one way or the other; sometimes some States and then some other. This time, the current Fitment Committee in the GST Council has members from several States and particularly from West Bengal, Tamil Nadu and Karnataka. They are all there. The Fitment Committee which decides on the matter of tax rates, before it comes to the GST Council, wherein again Ministers are seated.....(*Interruptions*)...

MR. CHAIRMAN: One minute. ...(*Interruptions*)... According to you, in this Committee, the representation is not of all States but of some?

* Expunged as ordered by the Chair.

SHRIMATI NIRMALA SITHARAMAN: Selected! It is always in every Committee, selected States and equal representation.

MR. CHAIRMAN: And in the current one, they were the members?

SHRIMATI NIRMALA SITHARAMAN: In current one, they are members also. ...*(Interruptions)*...

SHRI DEREK O'BRIEN: Sir, I would like to respond to this also later. ...*(Interruptions)*...

MR. CHAIRMAN: Okay, I would give opportunity. ...*(Interruptions)*... I will tell you hon. Finance Minister, this is an issue on which there needs to be clarity. You are making a point impactfully and we will allow Members after you have concluded and then you will have a right.

SHRIMATI NIRMALA SITHARAMAN: That you have already said, Sir. So, if I have named three States, it is not as if I am ignoring the others. I will give you the example. Representation in the current Fitment Committee has Rajasthan, Gujarat, Maharashtra, Bihar, Haryana, U.P., M.P. and West Bengal, Tamil Nadu and Karnataka. So, it is not as if, it is only some States and not others. And this Fitment Committee, for all you know, was constituted much before the election results of the States came. That continues. We do not disrupt it. Sometimes it changes, sometimes it does not. So, the Fitment Committee consisting of officers are there where every State, I mean, most States get represented. In another Committee, somebody else, some other States will come in.

MR. CHAIRMAN: It is rotational.

SHRIMATI NIRMALA SITHARAMAN: There was another misunderstanding, that the Central Government collects. No! The GST Council collects it. The amounts are disbursed immediately and the rest of the amount goes according to tax devolution. So, that is the thing about Medical Insurance GST.

Sir, hon. Member, Shri Vivek K. Tankha, who opened the speech, spoke about Railway Budget and since the time it has been merged, that nostalgia of Railway Budget. I can understand that but I want to give the data for Shri Vivek K. Tankha's notice that after the subsuming of the Railway Budget into the main Budget,

allocations have not suffered. In fact, it has gone up. In 2017-18, post the merger, the actual expenditure Budget, the Capital separately is Rs. 43,417.55 crores; Rs.52,837 crores in 2018-19 and so it goes on. In 2021, it crossed a lakh crore. It is capital expenditure, I am not talking about the other. In 2021-22, it was Rs. 1,17,270 crores. Then, it was Rs.1,59,256 crores. Going like that, today, for 2024-25, the current Budget, it is Rs.2,52,000 crores for capital in Railways alone. So the actual is, the previous year's numbers are also there, it gets 99 per cent utilized. So, bringing the Railway Budget into the General Budget has not, in any way, made Railways suffer.

Shri Vijayasai Reddy, the hon. member, spoke about minimum bank balance and when the minimum balance has been kept, banks have been collecting penalty from account holders. I want this to be made clearly that the minimum balance requirement does not apply to PM *Jan-Dhan* account holders. It does not apply to basic savings bank deposit that people hold, *Jan-Dhan* account or the basic savings bank deposit, both of them do not have any basic minimum balance requirement. So, if they didn't have, no penalties are levied on them. No charges are applied for non-maintenance of minimum balance by the *Jan-Dhan* accounts. In addition, banks also open basic savings bank deposit accounts where no charges are levied for opening of accounts. And, in these accounts also, no minimum balance is required to be maintained. Let us be clear. Small account holders are not being penalized for not having minimum balance. That should be clear. There are around 65 crore basic savings bank account holders in this country, including 52 crore *Jan-Dhan* accounts. None of them, 65 crores of them are not being touched for penalizing even if they didn't have minimum balance in the account. So, in addition to this, the *Jan-Dhan* account holders are also given accident insurance of two lakh rupees and also a RuPay Card with no additional charge for the RuPay card. Overdraft facility of about Rs. 10,000 is also extended to them. Not only are we not penalizing them for not having a minimum balance, but we also give them this facility. So, for other types of saving accounts, of course, the banks will decide based on what their boards approve. So they are not the basic accounts, they are not the *Jan-Dhan* accounts. So I just want to highlight it, but for whoever they collect this minimum charge breaching, meaning you didn't have a minimum balance and, therefore, I am penalizing you, information on minimum balance requirement is indicated, intimated, upfront to the account holder. So, it is not as if I can open a non-PM *Jan-Dhan* account, a non-basic whatever account and then say, you didn't tell me but you are collecting minimum. "No; upfront, I am told, your minimum balance requirement is this, you will have to maintain it, if you don't, we will penalize you." It is said upfront by the banks. The largest public sector bank, State Bank of India, as per its board

approved policy, does not apply any minimum balance charges at all. So let us put this in perspective.

Then, hon. Member, Shaktisinh Gohilji had raised this issue about increase of customs on plastic used by common citizens, that on the other hand, we reduce customs duty on platinum. On platinum, I have explained as to why the duty was reduced. But, I want to highlight the fact that it is not on plastic that we have raised the custom duty. It is not plastic. We have raised it on the commonly used plastic item; BCD, remains unchanged. What has been raised? The basic customs duty has been increased from 10 per cent to 25 per cent only on PVC flex films that are used for making flex banners. Flex banners are made with flex PVC films. Only on that, the BCD has been increased. Why did we do that? In fact, many States have already banned it. Andhra Pradesh and Maharashtra have already banned the use of PVC flex. PVC flex banners are non-biodegradable, and they are prone to reaching into the soil or water and, therefore, they release toxic fumes. This we did not want and, therefore, we have raised it only on that film, PVC film, which is used for flex. I have explained as to why platinum benefits from duty decrease. Hon. Member, Shri Vijayasai Reddy also spoke about the STT rates and reminded that if you had capital gains, there was a promise given once, long, long time ago when it was introduced, that STT will be now there for some time, but if capital gains is there, STT need not be there. But today, we have kept it there because, one, we are able to trace people who are big-ticket spending. It helps in tracking and it also helps in widening the tax base. Because once you levied a TDS or a particular tax, then when the opportunity comes to file your return, you will anyway adjust this and file it. It is not an additional tax. But when you do this, you are able to bring people who are spending bigger amounts into the tax net. And that is why it continues. It is not for revenue considerations so much. Sir, I can't see the hon. Member, Shri Sanjay Singh, who raised a lot of issues. But there are one or two things which I want to highlight, like, recovery. He expanded on haircuts, read a list of materials. They are not classified materials. They come out because NCLT puts it out or the resolution professional puts it out. They come out in public. We don't waive, and these are court processes. NCLT will have to stamp after the resolution professional decides between two parties as to how this will be executed. So recovery proceedings are part of a judicial process. The resolution plans are approved by a transparent judicial process. The defaulting promoters are not allowed to rebid for their own company so that we do not have them coming through the back door and getting it for lesser price now. These are all preventing wrong business practices. So I would like to highlight that all the details of the various cases are already available in the IBBI portal. Over and

above, what he read out, hon. Member, Shri Sanjay Singh can go to the IBBI portal and take all the detail. They are there for everybody to see. IBC, actually, has brought in a very big shift, paradigm shift in the debtor-creditor relationship. It provides for a streamlined one-stop solution for resolving insolvencies keeping in mind the spirit of IBC, which this Parliament has passed, not taking company towards liquidation, but keeping them as going concerns. So when you are doing that, the resolution professional arrives at a number, which is going to help that institution to run. Let me also say, Sir, that most of all these are a result of what happened through the phone banking. And we are trying to come and solve these problems so that banks which suffered the twin balance-sheet problem, which was all there between 2013-14, and to an extent, even in 2015...

MR. CHAIRMAN: I gave you a good relief. Regarding phone banking, I enquired last time, but this time, I avoided asking about oil bonds. I studied it myself. So, that question was not raised, at least, from the Chair.

SHRIMATI NIRMALA SITHARAMAN: Thank you, Sir.

MR. CHAIRMAN: What you are saying now, is new.

SHRIMATI NIRMALA SITHARAMAN: Sir, I am saying that when companies are on the verge of collapse and then IBC process brings in a resolution professional and decides the worth of the company and then puts it out for bidding or calls for tenders for the company to be taken over, the existing defaulting promoters are never given a chance. After which, there are processes, for instance, banks nowadays go through the process of giving the bad debt with a proper standard operating procedure to a company. The name is slipping me, Sir. It is a company which takes over the bad debt, gives them a paper, and after it is all sorted out, it is put out on sale, then, the bank gets the rest of its due on its account. Till then, if it had not happened in the NARCL process, the banks would, every year, have to put money in the name of provisioning till such a time that money is collected. So, this myth is being created like waving off, writing off. No! It is a process through which banks and the burden that the banks have to provide for it, will now be actually given away to the NARCL, and NARCL then takes over that company, restores it to some order, and finds some buyer. Then the money is paid back to these companies. If this is not happening, and it is actually going in the name of liquidation, then the professional sits and sorts it out, gets the NCLT to review it, and stamps the amount which has been agreed. So,

there is no role of the Government here. It is a court process. There are studies done by IIM, Ahmedabad, which has looked at three years of post-resolution. Their average sales rose by 76 per cent, employee count recovered, and nearly pre-bankruptcy levels have been reached by most of these companies which were given off like that. Average total assets rose to about 50 per cent and capital expenditure has increased to 130 per cent. So, the Resolution that he is talking about, and claiming that all this is a huge haircut, I want to please ask hon. Member to study what cost this, then he will know whether, with this Resolution, we are doing a better thing or if we had left it high and dry, whether the value of these companies would have ever been realized or they all would have become junk in a junkyard. What is going to help the economy? We need to understand that. But, coming from hon. Member, Shri Sanjay Singh, I am unable to resist the temptation. And, therefore, I will have to say.

MR. CHAIRMAN: Madam, help you, if you can resist? Because, if it is temptation, then, the best and most wholesome is to resist it.

SHRIMATI NIRMALA SITHARAMAN: To resist it, Sir? No. But, I would for the benefit of the House say it, Sir. Here is an hon. Member of Parliament who is saying this. I am not even talking about the present situation in his party. But, before they won the election, and I say this with a sense of responsibility and a pain in my heart, did not they say, they had a sack full of evidence against that former Delhi Chief Minister, a lady Chief Minister? "A sack full of evidence; we can send her to the jail, that much material, I have on her corruption". I want to ask, where is that sack now? Where is that sack full of evidence? It was all false claims. They went on speaking about it and somehow distracted the minds of the people. Today, they are talking about those companies for whom Resolution is being made possible so that the economy can benefit. I do not know whether the sack full of evidence was evidence at all. Assume they were evidence, why are you not using it now? And this party, which hon. Shri Sanjay Singh represents, did not do any of that, gave false promises. If anything, I would like to ask him. It is an allegation, which is now in the court. How much loss has Delhi Government, a Government Exchequer has faced because of the faulty liquor policy. It is a matter of the court. But, I am asking. You are worried about the haircut. You are worried about how much Government of India and the public money is being lost because of the haircut. I am asking how much did Delhi Government lose because of your faulty policy liquor policy? So, when this is there before hon. Member, I would want him to have some kind of discretion to understand what

exactly is going on. Sir, finally, there has been this point about this cancer medicine, about which, of course, even the first speaker, Vivekji, has mentioned. But, Shri Haris Beeran of the IUML; he raised the point that the cancer drugs should be made custom duty-free. All cancer-related machines should also be exempted. I want to say, Sir, our approach since 2021 has been that we progressively relieve all the life-saving drugs and medicines which are particularly imported for personal use. We have already exempted all of them and there are many more steps that we have taken. I remember particularly about ZOLGENSMA and VILTEPSO which have been the spinal muscular atrophy about which hon. Member, Vivek K. Tankha spoke, have all been now removed from the burden of customs duty.

I suppose with that, I would have addressed most of the issues except for the four questions of Mr. Jairam Ramesh, the four engines. I have already spoken about one engine. Private investment is stagnating, is his feeling. I want to highlight the fact that private sector investment has been increasing since the pandemic. It is rising from Rs. 3.8 lakh crores in the pandemic year 2020-21 to Rs. 4.9 lakh crore in 2021-22 to Rs. 6.1 lakh crore in 2022-23. Sir, gross fixed capital formation, which is an indicator of investment and new value added to the economy, it is expected to be the largest GDP growth driver this year. Therefore, with a percentage contribution of 44.9 per cent, the GFCF is a real instrument through which we are seeing faster growth since the pandemic-induced contraction set in. Sir, by private non-financial corporations, the gross fixed capital formation increased from Rs. 24.17 lakh crore in 2021-22 to Rs. 28.95 lakh crore in 2022-23, 19.8 per cent increase at current prices. So, that answer is about one of the engines. The other engine I had already spoken about. I will talk about the manufacturing in particular. It is by itself not the engine, but it is part of the engines which have to work. Gross value added at 14.3 per cent that is in February of financial year 2023, and an output share of 35.2 per cent during the same period. Manufacturing gross value addition grew by 9.9 per cent in 2023-24. So, the high frequency indicators performance, such as the HSBC India Purchase Manager Index (PMI) for manufacturing, which has been expansionary for 36 consecutive months, which is three years, it is an expanding territory only. This has to be contrasted, with the situation under the UPA, when manufacturing activity stagnated for eight consecutive months in 2013, that is, from May, 2013 to December, 2013. It was only in the contraction territory. Whereas now, we are seeing for 36 months, it is only in the expansion territory. And therefore, it is no surprise, Sir, that in the interim budget speech of 2014-15, the year when elections happened and the regime was changed, meaning the Government was changed, the Finance Minister then had said, and I quote, "Manufacturing is the Achilles heel of the Indian

economy. The deceleration in investment in manufacturing is particularly worrying". That is the quote then. Whereas now, I am showing you how GBA, PMI, all of them are doing well. We have also come up with a PLI scheme for 13 sunrise sectors; even that is bearing results, Telecom, particularly, telephone manufacturing, I do not need to elaborate on that. Defence production is another area where we are really doing very well. Under our Government, total defence exports during 2004-05 to 2013-14, which was earlier Government, was only Rs. 4,312 crores, whereas what it is now, total defense export is Rs. 88,319 crores for the period between 2014 and 2023-24. The last point, Sir, is the private consumption. Is that stagnating? No, it is not stagnating. It is actually, if you take the indicators, sales of passenger vehicles increased by 8.4 per cent year on year, highest ever mark is 4.22 million.

7.00 P.M.

The Indian aviation industry has recorded its highest ever domestic passenger traffic for half-year. Sir, between January-June, 2024, the airlines in India carried 79.35 million passengers.

It is also reported that rural growth, particularly of domestic two-wheeler industry, has gone up. If I talk of passenger vehicles, they will say, 'Oh! You are talking of SUVs.' No; I am talking of two-wheelers. The domestic two-wheeler industry for the year 2024 witnessed a total sales volume of 17.97 million units, reflecting a growth of 13 per cent. Three-wheeler sales — it is largely used by small businesses — registered the best ever sales of nearly 6,32,500 units, which is a 57 per cent growth. All this cannot happen if the rural demand is not high.

I think, I have, largely, answered most of the questions. Sir, rural wages are not stagnating. Rural wages rose at about five per cent every month, year-on-year, in 2023-24. Agricultural wage rates have grown. They grew by 7.4 per cent for men and 7.7 per cent for women.

With that, I think, Sir, I have answered most of the questions. Thank you very much.

MR. CHAIRMAN: Hon. Members, normal practice is that after the reply, I go to the next item. But, since the hon. Minister has volunteered to respond to the issue related to levy of GST on health insurance policies, I will give that extraordinary permission with a caveat that this will not be a precedent. Otherwise, the good gesture of the hon. Finance Minister will always be a problem for any Chair that, at that point of time, this was allowed. So, before I call upon Mr. Derek O'Brien, my request is to put

specific and pointed questions with respect to levy of GST on policies. ...*(Interruptions)*... No, no. Anyone disturbing... ...*(Interruptions)*... We have reached consensus outside also. Anyone who disturbs a speaker forfeits several privileges. Only Mr. Derek O'Brien and the hon. Minister to respond. No one else. I will come to you, Dr. John Brittas, later on.

SHRI DEREK O'BRIEN: Sir, you are absolutely right when you said that after the hon. Minister's reply, it is extraordinary that a Member from the Opposition can seek a clarification.

MR. CHAIRMAN: I did not say that. Let me make it clear. ...*(Interruptions)*... I will allow you. What I said is very categorical. What I say is, (1) This is not a practice emanating from the Chair; (2) It does not create a precedent; and (3) It has happened because the hon. Minister has volunteered; and (4) The Chair has agreed. It does not lie with any of the Members here. So, it is clearly understood. You may now ask pointed question or questions.

SHRI DEREK O'BRIEN: Sir, let me clarify before I ask my questions. All of us sitting here also indulged for one hour and twelve minutes. We made three attempts to request the hon. Minister to yield. And, through you, Sir, since the hon. Minister did not yield, we did not press for it; we sat down. That is also a precedent that the hon. Minister not yielded. But - it is fair enough - it is more comfortable for hon. Minister in a flow of one hour and twelve minute. So, we did not push for hon. Minister to yield.

MR. CHAIRMAN: One minute. Hon. Members, since we are moving in a decorous group, we did excellently. But the best practice still would be that if the hon. Minister is on her legs and someone wants to intervene, raising the hand is good enough. Standing is against the rules. You said, and, then, you took the seat. So, let us follow those. Now, Shri Derek O'Brien can ask what he seeks to ask from the hon. Minister straight through me.

SHRI DEREK O'BRIEN: Sir, 45 crore Indians, the middle... Let me finish. I did not disturb anyone.

MR. CHAIRMAN: No one will interrupt you.

SHRI DEREK O'BRIEN: Sir, 45 crore Indians, we call, are the middle class, who get affected by this 18 per cent GST on health and medical insurance. This is not something which was brought here by Shrimati Nirmala Sitharaman this year, I conceded that in my speech. So this is not, 'we win, you lose', 'you lose, we win.' No. This was there since 2017 when the shift took place.

MR. CHAIRMAN: The hon. Minister said so?

SHRI DEREK O'BRIEN: Yes. It was there even before. It is not about what happened before 2014 or not. Whatever be that, it has been brought up this time in Parliament. Unfortunately, the Finance Minister used a phrase today, but, maybe, you can consider and remove it, "Some Chief Minister." She is more than some Chief Minister. Sir, 'Some Chief Minister' is a little dismissive, but I am not making a point because it is not about point. *...(Interruptions)...* Sir, hear me out. Sir, please hear me.

MR. CHAIRMAN: Please, please. *...(Interruptions)...* No. Hon. Members, please. And, now please put the question.

SHRI DEREK O'BRIEN: Right, Sir. So, these 45 crore Indians want this to be taken out, which is there from 2017. This is our first point. We also know a little that this cannot be done in Parliament; it has to be done through the GST Council, and that is my point, and that is where the Minister has told us about the composition of the GST Council, which we are also aware. I want to ask the Minister, with these three sentences: Is there anything which I am saying, which is incorrect about the GST Council in its present form? One, the Union Government has a one-third voting weightage in that GST Council, the Union Government on its own. The GST Council is made up of one member per State. My point is, two-thirds of those States are run by the NDA Government. Sir, leave these technicalities aside; leave it aside, who wrote, who did not write. For these 45 crore Indians, please consider removing the 18 per cent on health because it is not only about one member, two members. That is one. And, the second, I am not even making an issue about a White Paper on my State. White paper was not mentioned; so, it will remain a blank paper. That is fine. That is all, Sir. Thank you.

MR. CHAIRMAN: Now, Dr. John Brittas. You can ask both together, like you have done on the Bills.

DR. JOHN BRITTAS: Sir, to put the matter in correct perspective, I will segregate this into three points. First is that when you are talking in terms of yielding, there is a practice here. Ministers are at liberty to intervene when Members are speaking. They are at liberty. But when Members want to intervene, they will never yield. It should be even. Sir, this is first part. The second part is... ...*(Interruptions)*...

MR. CHAIRMAN: Mr. Derek obliged me, you do too. I have never ever interrupted a Member, unless he has yielded. Even for intervention by a Minister or a Member, it depends on the speaker, whether he is a Member or a Minister. Dr. John Brittas, now make your point.

DR. JOHN BRITTAS: Sir, you understood and the whole House understood what I mean.

MR. CHAIRMAN: Good, fine! Go ahead.

DR. JOHN BRITTAS: Sir, the second point is this. With regard to petroleum products, we all know that the States have to agree. But the Minister has made statements saying, "If the States agree, I am ready." In that case, my question to the hon. Minister is: What is the perspective of the Union Government? And the third part is that, she made a statement by saying, "Without the permission of Gadkariji, someone put out that." Is it the version of the hon. Minister, Mr. Gadkari, or her version?

MR. CHAIRMAN: Hon. Minister, you are requested by the Chair, unless you so opt, to respond to the issue raised by Shri Derek O'Brien because I had allowed the issue related only to policies and Shri Derek O'Brien has raised issues directly related to policies. Please. Dr. John Brittas has digressed.

SHRIMATI NIRMALA SITHARAMAN: Sir, the composition of the GST Council is what I said, and that is what was repeated by the hon. Member — 'One-third' is Centre; 'two-thirds' is States. To say, 'Two-thirds of States' two-third is all BJP-ruled,' is not right. I have also named; and in the GST Council also, Sir, since 2017, decisions, except once, were all taken on consensus basis. There has never been a dispute. No State looks at it from the point of view, 'I come from this State, and, therefore, I can't accept this particular tax proposal.' In fact, there, the question is: How do we deal with taxation, revenue collection, and not burdening people? That is why, item by

item -- I am willing to sit with any hon. Member who wants, or, even can come to this House -- I will compare with what prevailed as tax before GST and what it is now, so as to say, it is lesser than what it was before GST. So, there is no divergence of view in the Council. Except for once, Sir, there has never been this issue of, 'We all belong to BJP. We are doing one decision, others do something else.' No, we never; and I respect the GST council for that very good amicable environment that they provide. So, I hope that answers his question.

MR. CHAIRMAN: I shall first put the motion regarding consideration of the Jammu and Kashmir Appropriation (No. 3) Bill, 2024 to vote.

The question is:

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of the Union territory of Jammu and Kashmir for the services of the financial year 2024-25, as passed by Lok Sabha, be taken into consideration."

The motion was adopted.

MR. CHAIRMAN: We shall now take up Clause-by-Clause consideration of the Bill.

Clauses 2, 3 and the Schedule were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

MR. CHAIRMAN: Shrimati Nirmala Sitharaman to move that the Bill be returned.

SHRIMATI NIRMALA SITHARAMAN: Sir, I move:

That the *Bill be returned*.

The question was put and the motion was adopted.

MR. CHAIRMAN: I shall now put the motion regarding consideration of the Appropriation (No. 2) Bill, 2024 to vote. The question is:

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 2024-25, as passed by Lok Sabha, be taken into consideration."

The motion was adopted.

MR. CHAIRMAN: We shall now take up Clause-by-Clause consideration of the Bill.

Clauses 2 to 4 and the Schedule were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

MR. CHAIRMAN: Shrimati Nirmala Sitharaman to move that the Bill be returned.

SHRIMATI NIRMALA SITHARAMAN: Sir, I move:

That the Bill be returned.

The question was put and the motion was adopted.

MR. CHAIRMAN: I shall now put the motion regarding consideration of the Finance (No. 2) Bill, 2024 to vote.

The question is:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 2024-25, as passed by Lok Sabha, be taken into consideration."

The motion was adopted.

MR. CHAIRMAN: Hon. Member, Dr. John Brittas, had given amendments to certain Clauses of this Bill. Since the amendments given by Dr. John Brittas could be moved -- please take note -- only with President's recommendations as required under Article 117(1) and Article 274(1) of the Constitution of India, his notices of Amendments were forwarded to the Ministry of Finance with a request to obtain the President's recommendation, which is yet to be received. Therefore, the Amendments cannot be moved. You can look into the provisions.

We shall now take up Clause-by-Clause Consideration of the Bill.

Clauses 2 to 168 and the First to Sixth Schedule were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

MR. CHAIRMAN: Shrimati Nirmala Sitharaman to move that the Bill be returned.

SHRIMATI NIRMALA SITHARAMAN: Sir, I move:

That the Bill be returned.

The question was put and the motion was adopted.

SPECIAL MENTIONS

MR. CHAIRMAN: Special Mentions. Shri Abdul Wahab.

Demand for a National Mission on Climate Change to address the consequences of climate change on people of vulnerable categories and their livelihoods

SHRI ABDUL WAHAB (Kerala): Sir, the changing weather conditions in our country are a strong signal to the fact that our climatic conditions are rapidly changing. My own State, Kerala, known for its pleasant weather, has observed tremendous increase in the temperature in the month of February, March and April 2024. The State of New Delhi also experienced a scorching heat wave in the month of May, 2024 with a high temperature of 49.9 degree Celsius. As per the Indian Meteorological Department, the average temperature of Delhi has increased by 1.5 degree Celsius. These changes in weather conditions have significant consequences on human beings with respect to their health, well-being and safety, with extreme events of worsening air quality changes, spread of infectious disease, threats to food and water qualities and effects on mental health. The most vulnerable amongst them are the poor, unprivileged who are homeless, children, pregnant women, old people and aboriginal tribals. It also has a tremendous impact on their economic activity, as they mostly work in the unorganized sectors, such as street vendors, gig workers and construction employees.

I urge the Union Government to launch a National Mission on Climate Change to study and address the consequences of climate change on people of vulnerable categories and their livelihoods. This Mission should prepare guidelines, policies and implement welfare measures and affirmative action for those who are most vulnerable to climate change and its immediate effects such as heat waves, floods, and bushfires.

MR. CHAIRMAN: The following hon. Members associated themselves with the Special Mention made by the hon. Member, Shri Abdul Wahab: Dr. John Brittas (Kerala), Dr. V. Sivadasan (Kerala), Shrimati Jebi Mather Hisham (Kerala), Shri Haris Beeran (Kerala), Shri M. Mohamed Abdulla (Tamil Nadu), Shri R. Girirajan