

# PM: Only 1.5 cr in our country of more than 130 cr pay income tax

'Urge countrymen to take a pledge... that they will pay their taxes honestly'

PRESS TRUST OF INDIA  
NEW DELHI, FEBRUARY 12

WHILE THE previous governments hesitated to touch the country's taxation system, the current BJP-led dispensation was making it more citizen-centric, Prime Minister Narendra Modi said on Wednesday, urging people to pay their dues for the development of India.

Speaking at the Times Now Summit here, he said the Union budget will help achieve the target of a \$5 trillion economy.

"The aim to become a \$5 trillion economy is not easy, but it is not unachievable. India took 70 years to reach the \$3 trillion mark but no one asked any questions about it. It is better to set difficult goals and work hard to achieve those than remain directionless," the Prime Minister said. Stating that a "century of decisions" had been made by his government in just eight months, Modi listed the key steps such as regularisation of unauthorised colonies in Delhi, abrogation of Article 370 of the Constitution, banning triple talaq, reducing corporate tax, forming a Ram temple trust and amending the citizenship law to drive home the point that India was moving forward at a fast pace. "But this is just a sample, the actual action begins here," he said.

"Amid these steps, it is also true that an emerging economy like India faces a lot of challenges. It is the first time that a government has focussed on economic growth in small cities and towns. It is the first time that any government has valued the dreams of small towns and cities," Modi said. In his address, Modi also expressed concern that some people always found ways to evade taxes and the honest got penalised. "All governments hesitated to touch the tax system. We are making it citizen-centric... India has become one of the very few countries to have a transparent taxpayers' charter that will

clearly define the rights of taxpayers. I want to assure you that tax harassment will be a thing of the past in our country," he said. Until now, a process-centric tax system was predominant in India, but now it was being made public-centric, the Prime Minister added. The income tax slabs saw a major reform in the Budget, he said. However, Modi lamented that when a number of people did not pay tax and found ways to evade it, "the burden falls on those who honestly pay their dues". He said it was unbelievable but true that only 2,200 people in the country had declared earnings of Rs 1 crore per annum. "In the last five years, more than 1.5 crore cars have been sold in the country. Over three crore Indians went abroad for work or travel. But the situation is that only one-and-a-half crore people in our country of more than 130 crore pay income tax," Modi said.

He said a faceless tax assessment system was being introduced, which meant that those assessing tax would not know whose tax was being computed and the ones whose tax was being assessed would not get to know which official was doing it. "So all scopes for any 'game' will be done away with," he added. "I urge all the countrymen to take a pledge, remembering those who dedicated their lives to the country, that they will pay their taxes honestly," the Prime Minister said.

PRESS TRUST OF INDIA  
NEW DELHI, FEBRUARY 12

FINANCE MINISTER Nirmala Sitharaman on Wednesday said inadequate realisation of GST compensation cess is delaying the payment to states and that the Centre was not according any differential treatment to states.

Speaking at the Times Now Summit, the minister also said the government is committed to paying to states as per the provisions of the GST (Compensation to States) Act, 2017.

The delays are because the compensation cess was not adequate to pay up the 14 per cent which was committed, she said, adding, devolution of taxes to states is committed as per the law.

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## CABINET CLEARS MOVE

# Changes in 'Vivad se Vishwas' Bill to cover disputes pending in DRTs

EXPRESS NEWS SERVICE  
NEW DELHI, FEBRUARY 12

THE UNION Cabinet on Wednesday approved changes in the 'Direct Tax Vivad se Vishwas Bill, 2020' with a view to increase its scope to cover litigations pending in various debt recovery tribunals (DRTs).

The Bill was introduced in the Lok Sabha earlier this month with the aim to reduce litigations related to direct taxes. It was proposed to cover tax disputes pending at the level of commissioner (appeals), Income Tax Appellate Tribunals (ITAT), high courts and the Supreme Court.

Further, the Cabinet gave its nod to a new Bill which will be introduced in the Budget Session of Parliament. The Bill, to regulate the sale of pesticides, will be introduced when the Parliament resumes on March 2 after the recess, the government said.

The Pesticide Management Bill, 2020 will allow for farmers to be compensated for spurious pesticides sold to them and will also

## Infusion of ₹2,500 cr into three PSU general insurers get nod

New Delhi: The Union Cabinet Wednesday gave an in-principle approval to pump in Rs 2,500-crore capital into three public sector general insurance companies.

These three insurers are Oriental Insurance Company Limited (OICL), National Insurance Company Limited (NICL) and United India Insurance Company Limited

have provision for penalising erring parties.

Briefing reporters here on the the 'Vivad se Vishwas' Bill, Union Minister Prakash Javadekar said it has been decided to cover disputes pending in DRTs also. He said cases involving over Rs 9 lakh crore of direct taxes are pending in various forums.

The minister added he hoped that people will take advantage of the scheme to settle tax disputes before March 31, 2020 as 10 per

(UJICL), The Cabinet has allowed "immediate release of Rs 2,500 crore in the light of the critical financial position and breach of regulatory solvency requirements" of these general insurers", an official statement said. The capital infusion in these companies comes ahead of their proposed merger by the end of March 2020. PTI

cent more will be charged for settlement of disputes after the end of the current financial year.

On the Pesticide Management Bill, he said it is aimed at securing the interests of farmers and to ensure that pesticides available to farmers are "safe and effective".

Under the proposed law, Javadekar said if there is "any loss because of spurious or low quality of pesticides, there is a provision for compensations" for the farmer. Calling it a "unique feature," the

## President on \$5-trn target: Banking with the unbanked, securing the unsecured

EXPRESS NEWS SERVICE  
PUNE, FEBRUARY 12

PRESIDENT RAM NATH Kovind said Wednesday that as India aims to become a \$5-trillion economy, the banking sector has to start preparing for the next big leap.

"This mainly involves banking with the unbanked and securing the unsecured," he said at the golden jubilee celebration of the National Institute of Bank Management (NIBM) here, and urged the institution to create a pool of trained human resource skilled to serve banking institutions of global standards.

He said banks are the fulcrum of our economic system and it is

the duty of the system to reach the constitutional goal of economic as well as social justice. "When the country was at its nascent stage of a republic, banking sector faced hurdles of lack of presence and instability and a large number of people, particularly the poor, had no access to banking. Efforts made by banks under Pradhan Mantri Jan Dhan Yojana have significantly changed this position. As the scheme progressed, nearly 35 crore bank accounts have been opened, which is larger than any country's population."

Stating that rapid strides have been taken for reaching the goal of economic inclusion and covering unbanked sectors, the President said the next challenge

is to deeply involve those included and have financial products which meet the needs of those at the bottom. "Good research facilities need to be used for creation of financial products for the poorer sections of the population. Progress of the country depends on the contribution of the collective economic strength of the poor. Self-help group movements led by women have shown benefits one can reap by investing in the poor," he said.

He added that millions of lives have been touched through direct transfer of funds through welfare schemes and these funds amount to almost Rs 9.2 lakh crore. "It is reassuring and we can raise our bar of expectations."

minister said that "penalties collected from the companies" will go into a "central fund which will take care of compensation".

All pesticide manufacturers will be registered under the new Bill and it will also regulate advertising related to pesticides so that farmers are not cheated.

The pesticide industry is regulated by rules framed in 1968, Javadekar said, and they need "immediate rewriting". He said a similar Bill was introduced in 2008 and was sent to a Standing Committee of the Parliament and the new bill is drafted based on those recommendations. After the bill is passed the farmer "will not get spurious pesticides," he said.

The Bill also mandates that all information about pesticides will be in open source and in all languages and farmers "will know about the strength and weakness of pesticides, the risk and alternatives and this will be an open data in digital format also", and the information will be provided by the dealers of the pesticides. The Bill, Javadekar said, will also promote organic pesticides. WITHPTI

# Cabinet clears Bill to give major ports authority to fix tariffs for services

ENSE ECONOMIC BUREAU  
NEW DELHI, FEBRUARY 12

STATE-RUN PORTS in the country, termed 'major ports', will get to determine the tariffs for various port-related services as well as the terms for private developers who team up with them once the Major Port Authority Bill, 2020, cleared by the Cabinet on Wednesday, becomes law. As the Bill seeks to replace a 1963 Act, it will be curtains for the Tariff Authority for Major Ports (TAMP); every port will now be governed by a Port Authority which will have powers to fix reference tariffs for various port services.

The major port sector has not seen the required level of fixed assets creation to pare the country's high logistic costs owing to legacy issues including the TAMP's archaic regulatory grip.

According to official sources, the new law for major ports could make the tariffs fixed by each port authority as reference numbers for the purpose of bidding for PPP (public private partnership) projects. One reason why investment in port services via the PPP route has not been very remunerative

As the Bill seeks to replace a 1963 Act, it will be curtains for the Tariff Authority for Major Ports (TAMP)

for the private investors is the high revenue share — close to 40 per cent in some cases — that port trusts pocket.

Sources said the Rules being framed in regard to the proposed Act would likely address this long-standing issue as well. One idea is to make the revenue share a fixed component and award the projects to the party that offers to quote the lowest tariffs.

"The idea is to ensure fast decisions are taken at the port level itself. The Bill will be introduced in ensuing session of Parliament," shipping minister Mansukh Lal Mandaviya said.

The Bill also proposes the creation of an adjudicatory board at the apex level for review of port authority's decisions. It will have the mandate to resolve the disputes between port authorities and the PPP operators. FE

## E-cigarettes, similar products banned from airports, aircraft: BCAS

ENSE ECONOMIC BUREAU  
NEW DELHI, FEBRUARY 12

THE BUREAU of Civil Aviation Security (BCAS) has banned e-cigarettes and similar products from all airports and aircraft in India, according to an official order.

"Upon the prohibition of e-cigarettes by the Ministry of Health and Family Welfare, it has been decided that e-cigarettes includes all forms of electronic nicotine delivery system (ENDS), heat not burn products, e-hookah and the like devices," according to the order by India's

civil aviation security agency.

Distribution, sale, storage and advertisement of such products is prohibited on any airport premises or any aircraft departing or arriving in India, the agency added. In September last year, the central government banned production, sale and import of e-cigarettes and similar products citing health risk to people, especially the youth.

Prior to the new rules being notified, such items could be accepted on board an aircraft in cabin baggage, provided that they remained unused at all times in the passenger's baggage.

## Committed to pay states as per provisions of GST Act: FM

PRESS TRUST OF INDIA  
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## 'IT-BPM sector revenue to grow to \$192 bn in FY20'

India's IT and business process management (BPM) sector revenue is estimated to grow at 8.4% in FY20 on a constant currency basis to \$192 billion, industry body Nasscom said



7.7% Growth in IT-BPM sector on a reported number basis in FY20

23% Increase in new-age digital revenues in FY20

CONTRIBUTION OF VARIOUS SECTORS TO INDUSTRY'S TOTAL REVENUE:  
■ IT services: \$97 billion, growth of 6.7%  
■ E-commerce sector: \$54 billion, growth of 25%  
■ BPM: \$38 billion, growth of 8.2%

2.05 Lakh JOBS ADDED TO INDUSTRY ON A NET BASIS THIS FISCAL

1.5% SHARE OF INDIAN IT COMPANIES' \$191 BILLION WHICH IS INVESTED INTO SKILLING

>8 LAKH EMPLOYEES TRAINED IN DIGITAL SKILL SETS IN FY20

27 NUMBER OF STARTUPS THAT HAVE ACHIEVED 'UNICORN' STATUS

Source: Nasscom/PTI

## I-T to share taxpayers' PAN, other data with Sebi

PRESS TRUST OF INDIA  
NEW DELHI, FEBRUARY 12

THE INCOME Tax Department will share all taxpayers' data like PAN (permanent account number) information with Sebi in order to help the capital market regulator in its probe against various entities, including those involved in 'stock market manipulation', an official order has said.

The Central Board of Direct Taxes (CBDT), which frames policy for the tax department, had issued an order in this context on February 10 under section 138 (1) of the I-T Act.

The sharing of information will be under three broad heads: request-based exchange of data, suo moto and automatic.

The two organisations are expected to ink a Memorandum of Understanding (MoU) soon in order to implement the decision and chalk out modalities of exchange of data, maintenance of confidentiality, mechanism for safe preservation of data and weeding out after usage.

## Nissan sues Ghosn for \$91 mn, seeks damages for property, jet use

ASSOCIATED PRESS  
TOKYO, FEBRUARY 12

NISSAN FILED a civil suit Wednesday seeking 10 billion yen (\$91 million) in damages from the Japanese automaker's former Chairman Carlos Ghosn.

Nissan Motor Co. filed the case in Yokohama District Court to recoup some of the monetary damages suffered, it said, "as a result of years of misconduct and fraudulent activity" by Ghosn.

The claim was calculated by adding the costs from what Nissan called Ghosn's "corrupt practices," such as rent for overseas property, use of corporate jets and payments to Ghosn's sister, as well as costs for the internal investigation into Ghosn's alleged wrongdoings.

Representatives of Ghosn said in a statement they couldn't comment as they had yet to see the legal documents.

"Nissan's maneuvers continue," they said, while noting Nissan had claimed larger dam-



Former Nissan chairman Carlos Ghosn in Lebanon. AP file photo

ages before.

Ghosn, who led Nissan for two decades and saved it from near-bankruptcy, was arrested in Japan in November 2018, and charged with underreporting his future compensation and breach of trust in diverting Nissan money for personal gain.

He was awaiting trial but skipped bail and showed up in Lebanon late last year.

Japan has no extradition treaty with Lebanon, and he's unlikely to be arrested.

## SON SAYS IN 'NO HURRY' TO SELL ALIBABA SHARES SoftBank Dec quarter profit wiped out by Vision Fund losses

REUTERS  
TOKYO, FEBRUARY 12

QUARTERLY PROFIT at SoftBank Group Corp was almost wiped out as the Japanese technology giant was hit for a second straight quarter by losses at its \$100 billion Vision Fund.

Wednesday's dismal results could further dampen investor enthusiasm for founder Masayoshi Son's big bets on untested start-ups. While Son told a news conference SoftBank had turned a corner, he also said he has been forced to scale back a second Vision Fund while investing with only SoftBank's own capital.

That marks a major climb-down from July, when SoftBank said it had attracted \$108 billion in pledges for a second mega-fund. More pointedly, it shows how the bailout of start-up WeWork last year and other missteps have put a chill on the



SoftBank founder Masayoshi Son said the company has 'caused a lot of concern', after the results were announced.

tech investing scene and given SoftBank shareholder Elliott's ammunition to lobby for change.

"We have caused a lot of concern," Son said in Tokyo following the results.

Group profit was 2.6 billion yen (\$24 million) in the October-December quarter versus 438 billion yen a year

before. The Vision Fund posted an operating loss of 225 billion yen (\$2.05 billion) for the quarter compared with a 176 billion yen profit in the same period a year earlier.

But Son, known for an ebullience and charisma that is still rare in corporate Japan, said the company's performance was already improving.