

Interaction with Mr. Arun Jaitley, Hon'ble Minister of Finance & Corporate Affairs, Government of India

By – Mr. L. K. Singh, VP North

Ahead of the interim Budget and general elections early next year, Finance Minister Arun Jaitley on Monday 26th November, 2018 held a closed-door meeting with industry captains to discuss the current economic environment and the steps being taken by the government to address emerging issues. The meeting was organised by the Confederation of Indian Industry (CII).

I attended the interaction meet with Hon'ble Minister of Finance Shri Arun Jaitley on 26th November, 2018 at New Delhi. It was very interesting close door meet with Q & A session.

During the session, Shri Jaitley elaborated on current economic environment and the steps being taken by the government to address emerging issues. Answering many questions Mr. Arun Jaitley clarified that corporate taxes were already reduced and were further being reduced to 21% from current 25%, as revenues inflows increased. He pointed out that whilst most of them were asking for decrease it has helped in promoting industry however the industry is not supporting this move; every time he announced a corporate tax decrease he was heckled.

The industry should support for achieving targets of GST which the committee had set a target of ~14% increase from a base 14-15 figures. Now after 3 years 42% is increased and compounded approximately 55%.

He added that 6-7 States had exceeded this target, with Maharashtra leading in it. Centre is using some of the funds to support some of the states, but they are also increasing their collections and may not need any support shortly.

Mr Jaitley informed that Personal tax will also slowly be lowered, whereas they plan to reduce the No. of GST slabs, and soon it will just be 5 & 15%.

Citing on the so called controversy on RBI, he said as per the past practice, RBI directives started without consultations and arbitrarily. He would learn about them from papers. Many set compliances were not being done.

RBI was sending him reports regularly, about liquidity of funds on his request. These reports indicated good liquidity. RBI should focus more on liquidity management instead of media management.

Recalling about the past he mentioned about B. Ramaro, in 1956 there was a sudden increase in the stamp duty and Pandit Jawarharlal Nehru our First Prime Minister wrote to him saying Monetary Management is your domain and Government would do the economic policies. RBI should do the monetary policies to meet the set Economic policies set by the Government. He also remarked about the fast growing role of women in the country. He was invited to distribute awards to first 20 SRCC students who had excelled, and he found there were 19 girls and 1 boy! Many corporates are projecting 55-65% women coming up in the management. This he said is the coming trend.

I had asked a specific question about why the GST data is not shared by the government, for AIPMA being an association that is into operations for the past 74 years needs it?. On this members on behalf of CII intervened and asked we should write to them and they will forward it to the minister, as the minister had too many other questions.

The question hour was over by then and we need to follow it up.



L-R: Mr. Uday Kotak, President Designate, CII; Mr. Arun Jaitley, Hon'ble Minister of Finance & Corporate Affairs, Government of India; Mr. Rakesh Bharti Mittal, President, CII and Mr. Chandrajit Banerjee, Director General, CII