

**GST is GST**

**JULY 21, 2021**

**By Vijay Kumar**

**AN** imaginary conversation, which I swear has not taken place:-

The new Minister of State for Finance walks into the room of the Finance Secretary.

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| Minister          | : | I'm told I can find the Secretary in charge of GST here.   |
| Finance Secretary | : | Yes sir, You can - Finance Secretary, the Finance Secretary, in charge of GST, to some extent. Â |
| Minister          | : | I'm the new minister. Â  |
| Finance Secretary | : | <b>So, you are the new minister for GST? Â</b>   |
| Minister          | : | I'm the Minister of State for Finance , which portfolio includes GST.                            |
| Finance Secretary | : | <b>But, I am told the Prime Minister directly deals with GST. Â</b>                              |
| Minister          | : | No, how can he deal directly, when there is a Finance Minister? Â                                |
| Finance Secretary | : | <b>Didn't he do that for demonetisation? Â</b>   |
| Minister          | : | No, he didn't; anyway that's not the topic for my discussion                                     |

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| Finance Secretary | : | <b><i>Are you an economist? Â</i></b>  |
| Minister          | : | No, I am a lawyer, unfortunately.  |
| Finance Secretary | : | No, it is not unfortunately; on the contrary, that is most fortunate. The civil service has always opposed the appointment of anyone with specialised knowledge. Â   |
| Minister          | : | Â Why?   |
| Finance Secretary | : | Their prejudiced ideas may not be compatible with government. Â  |
| Minister          | : | What if the ideas are good?  |
| Finance Secretary | : | Most good ideas are incompatible with government policy.   |
| Minister          | : | Were you in favour of GST?   |
| Finance Secretary | : | I, Minister? I am neither in favour of nor against anything. I am just a humble vessel into which ministers pour the fruits of their labour and their remarkable intellectual endeavours. So tell me - what are we trying to achieve here? |
| Minister          | : | <b><i>GST</i></b>  |
| Finance Secretary | : | I am fully seized of that idea and completely on board of course. But, What does it mean, exactly?   |
| Minister:         | : | Haven't you heard the PM?Â GST means GST.  |

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| Finance Secretary  | : | Indeed. So does GST mean keeping whole of India under one tax? Does GST perhaps include revising our own governance in relation to States? Does GST mean the legislation of new Acts and regulations, including the drafting of 30 or 40 new bills so that we have a new tax system in place?  |
| Minister:          | : | Um - not sure - can you clarify that for me?   |
| Finance Secretary  | : | <b>Can</b> you clarify that for me? You are one of those who campaigned successfully for GST - in the elections.   |
| Minister           | : | Forget that; I didn't really expect to win. So who really runs GST?  |
| Finance Secretary: | : | Another interesting question. Well done, Minister! The GST is run on an intricate and sophisticated system based on a hierarchical structure of interlocking and overlapping jurisdictions designed to separate the powers while reinforcing the authority of the departments, institutions and agencies who collectively and separately control and supervise the diverse activities of the Government and its associated organisations.                  |
| Minister:          | : | Who else is in this department?  |
| Finance Secretary  | : | Well briefly, Sir, I am the Finance Secretary. We have five departments in the Finance Ministry: <ol style="list-style-type: none"> <li>1. The Department of Expenditure,</li> <li>2. The Department of Revenue,</li> <li>3. The Department of Investment and Public Asset Management ,</li> <li>4. The Department of Economic Affairs,</li> <li>5. The Department of Financial Services, and</li> <li>6. The Department of Public Enterprises.</li> </ol> |
| Minister:          | : | But that makes it six.   |

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| Finance Secretary:      | : | Yes Minister, you are simply brilliant. We actually have six departments. Each department is headed by a Secretary like me. I am also the overall secretary for the whole Ministry apart from being the full-time Secretary for the Department of Economic Affairs. Above me are the Ministers of State and the Cabinet Minister.   |
| Minister:               | : | That means you report to me?  |
| Finance Secretary:<br>Â | : | If it pleases you. Technically, yes, but since I am the overall Secretary, the Hon'ble Minister would expect me to report directly on all important matters. So, I may not be always available, when you want me to report to you. In any case, this GST, to know about which you came to me is under the Revenue Secretary. Shall I call him here?   |
| Minister:               | : | Did I get you correctly? You said there are five (or six to be precise) secretaries and I assume they are of equal rank. How can you call the Revenue Secretary here and why should he come to your room?   |
| Finance Secretary:      | : | Minister, that's what I said - we have a hierarchical structure of interlocking and overlapping jurisdictions. Since I am the senior-most among the five, no six Secretaries in the Finance Ministry, I am called the Finance Secretary. Though technically, the Revenue Secretary is equal in rank to me, I being slightly senior, the hierarchical structure will often cast an obligatory if not mandatory burden on the Revenue Secretary to go to the room of the Finance Secretary, and between us, I am considered to be close to the Prime Minister and also likely to become the Cabinet Secretary. The Revenue Secretary knows that and more importantly has reasons to believe that I can come in his way up in the hierarchical structure. So, all that I have to do is pick up the phone and say, "come down" and he will be here. |
| Minister:<br>Â          | : | No, you can pick up the phone some other time. I understand that you are very knowledgeable. Let us continue.   |
| Finance Secretary:      | Â | Minister, to continue, I have four Additional Secretaries, twelve Joint Secretaries, fourteen Deputy Secretaries and several Under-Secretaries, Section Officers and Assistants under me. All the Secretaries have similar staff.   |
| Minister                | : | Do they all type?<br><br>Â  |
| Finance Secretary       | : | Ha ha , Minister you are very funny!  |

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| Minister               | : | And who was that important looking guy who was trying to prevent me from entering your room? He looked more powerful than all of us here.  |
| Finance Secretary<br>Â | : | Oh! Suresh; he is my PPS - Principal Private Secretary; I have three Principal Private Secretaries and a Private Secretary.  |
| Minister               | : | Does the PPS type?   |
| Finance Secretary      | : | No sir, the PPS has a PS who has a steno. The Additional Secretaries and Joint Secretaries also have at least one PS or SPS each.  |
| Minister               | : | Do I also have PS and PPS?   |
| Finance Secretary      | : | Of course, Minister. In any case we all work for you.  |
| Minister               | : | In this complicated hierarchical structure, who takes decisions?   |
| Finance Secretary      | : | That's what I explained to you. We have an intricate and sophisticated systemÂ based on a hierarchical structure of interlocking and overlapping jurisdictions designed to separate the powers while reinforcing the authority of the departments, institutions and agencies who collectively and separately control and supervise the diverse activities of the Union and its associated organisations.<br><br>Ah, I forgot. We have a Board called the CBIC in the Revenue Department which has a Chairman and five Members who are all equal in rank to the Revenue Secretary, maybe slightly less equal - the equation is something like me and the Revenue Secretary. |
| Minister               | : | Understood. Go on. I forgot to ask you. Who are the other members of the GST Council?  |
| Finance Secretary      | : | The GST Council's membership consists of the Finance Ministers of all states while there are teams of officers to assist the ministers at every stage.   |

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| Minister          | : | It's called the Council. Why? And why is the head of the Council called a chairperson? Did they know that one day a lady would become the Finance Minister?          |
| Finance Secretary | : | These are Constitutional matters which you may discuss with the Attorney General.  |
| Minister          | : | Should I go to him or can I pick up the phone?   |
| Finance Secretary | : | I don't know minister. Try the second one first and if it fails, try the first one.  |
| Minister          | : | Doesn't seem to be very simple. Does it? I am already getting scared as to how I am going to look into all those papers typed by all these varieties of secretaries. |
| Finance Secretary | : | Not all of us type here. In fact, many of us do not know how to type. But, yes, there will be files and plenty of them. Would you like us to simplify it for you?    |
| Minister          | : | <b>Yes,</b> I would.   |
| Finance Secretary | : | In that case, just move all the files that we give you from your in-tray to your out-tray. We'll do the rest.  |
| Minister          | : | That simple? Can I trust you?  |
| Finance Secretary | : | Of course. We are your humble servants ...   |
| Minister          | : | Yes, yes! I've heard all that. By the way, I heard that we have a Pegasus in the Ministry. True?   |
| Finance Secretary | : | What? <b>Pegasus?</b>  |
| Minister          | : | Slow, slow - I heard some department in the ministry taps telephones. Is it true?  |

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| Finance Secretary | : | Yes, we have the DRI and some other agencies, which are legally allowed to tap phones?         |
| Minister          | : | Can I get any phone tapped? Will they tap my phone?  |
| Finance Secretary | : | I really don't know minister; you will have to eventually find out. Tapping is not my theatre. |
| Minister          | : | Finally, are you in favour of GST?   |
| Finance Secretary | : | That depends on what it means.   |
| Minister          | : | GST means GST.   |
| Finance Secretary | : | Yes Minister.  |

**Until Next Week**