

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2263
ANSWERED ON:05.12.2014
RAJIV GANDHI EQUITY SCHEME
Reddy Shri Midhun

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is implementing Rajiv Gandhi Equity Scheme properly to benefit the markets and the investors;
- (b) if so, the details thereof and the shortcomings identified in the scheme and how it would be useful to the investors; and
- (c) corrective steps being taken so far in implementing the scheme?

Answer

MINISTER OF THE MINISTRY OF FINANCE (SHRI ARUN JAITLEY)

(a): Rajiv Gandhi Equity Savings Scheme was notified on 23rd November 2012 under Section 80 CCG of Income Tax Act, 1961. The scheme is designed exclusively for the first time retail individual investors in securities market, who invest up to Rs. 50,000 in a year. The investor would get a 50 per cent deduction of the amount invested from the taxable income for that year to the extent that such deduction does not exceed twenty-five thousand rupees.

(b) & (c): The scope of the scheme was enlarged by increasing the income ceiling of the beneficiaries to Rs. 12 lakh in the year 2013-14 from Rs. 10 lakh in 2012-13 and by allowing deduction under the scheme for three consecutive assessment years.