

I said, the provisions may be misused by over-zealous Ministers or over-zealous State Governments. What is needed is, we should try to remove the genuine grievances of the people in time so that terrorism does not grow and the younger generation, the young people do not become terrorists. Only by doing this, we will be able to control terrorism.

Secondly, I would urge upon the Government to revamp the law and order enforcing machinery. The law and order enforcing machinery has totally collapsed. The police has failed to detect crime and that is why, crime is increasing. Terrorism is increasing. They are not able to detect the terrorists. They are so incapable that they have not been able to apprehend that murderers of Mr. Lalit Maken; and the people who committed murders in the past. Earlier, one ambassador was killed. till today, nobody has been apprehended. Therefore, unless you do this, unless you reorganise the law and order machinery, unless you modernise the police force it is futile to have such legislations to combat terrorism, to stop crime.

THE VICE-CHAIRMAN (SHRI CHIMANBHAI MEHTA): Now, we will take up the Short Duration Discussion listed for today. The discussion on this Bill will be resumed on Monday, the 19th August.

3.00 P.M.

SHORT DURATION DISCUSSION ON THE STATEMENT RE. REPORT OF THE NATIONAL INSTITUTE OF PUBLIC FINANCE AND POLICY ON "ASPECTS OF THE BLACK ECONOMY IN INDIA"

THE VICE-CHAIRMAN (SHRI CHIMANBHAI MEHTA): Shri Hukmdeo Narayan Yadav. You are given 7 minutes. We have to finish the discussion within the time allotted by the Business Advisory Committee.

श्री हुकमदेव नारायण यादव (विहार) : उपसभाध्यक्ष महोदय, अभी सदन में जिस विषय पर हम चर्चा करने जा रहे हैं इसके सम्बन्ध में अभी हाल ही में भारत सरकार

के द्वारा जो एक रिपोर्ट काशित हुई है, उसको आधार मानकर हम उस पर वहस करने जा रहे हैं।

श्रीमन्, इससे पहले भी काले धन को रोकने के संबंध में कई महत्वपूर्ण प्रतिवेदन प्रस्तुत किए गए और कई आयोग बनाए गए। उन्होंने अपनी रिपोर्टें दी। लेकिन मैं सीधे कहना चाहता हूं कि चाहे कितने ही आयोग बना दीजिए या कितनी ही समितियां बना दीजिए या कितने ही आर्थिक संस्थान बना दीजिए और उनसे प्रतिवेदन भंगा लीजिए, उससे काले धन पर रोक नहीं लग सकती। काले धन पर रोक लगाने के लिए हमें मजबूत संकल्प चाहिए, पक्का इरादा चाहिए। मैं सीधे कहना चाहूंगा कि काले धन की उत्पत्ति कहाँ होती है? जब तक आप उसकी उत्पत्ति को रोकेंगे नहीं, तब तक उसके विस्तार को भी नहीं रोक सकते हैं। मगर आज यह दुर्भाग्य है इस देश में कि जो काले धन का सबसे बड़ा स्रोत है, जो काले धन की गंगाव्री है, उस पर कभी विचार नहीं किया गया। काले धन की उत्पत्ति होती है राजनीति से। काले धन को संरक्षण मिलता है राजनीति से। काले धन का प्रचार व प्रसार होता है राजनीति से किन्तु। इस राजनीति को स्वच्छ बनाने के लिए हिन्दुस्तान में कुछ नहीं किया जा रहा है। जब तक राजनीति में काले धन का वर्चस्व रहेगा तब तक हिन्दुस्तान में काले धन को रोकना असम्भव है। काले धन को रोकने की बात करना व्यर्थ है, उसकी चर्चा करके हम सदन का समय बरबाद करते हैं लेकिन काला धन रोक नहीं पाते। वह कोई छिपी हुई बात नहीं है कि चुनाव में कितना काला धन खर्च होता है। हम एक न एक राजनीतिक दल के सदस्य हैं, हम अपनी रिटर्न में कभी सच्चे आंकड़े नहीं भरते। जनप्रतिनिधित्व कानून में जो हमें धन खर्च करने का अधिकार होता है क्या हम उतना ही धन खर्च करते हैं या जितना खर्च करते हैं क्या उसका हम रिटर्न देते हैं? क्या हम रिटर्न देते हैं कि जो पैसा खर्च होता है वह कहाँ से आया? क्या इससे काले धन का जैनेशन नहीं होता है? वह पैसा आता कहाँ से है, वह खर्चा कहाँ

[श्री हुक्मदेव नारायण यादव]

से होता है ? वह काल धन की उत्पत्ति का सबसे बड़ा कारण है । इस देश में जब राजनीति ही व्याभिचारिणी हो गई है, राजनीति ही भ्रष्टाचारिणी हो गई है, जहाँ से पूर्ण प्रशासन का जन्म होता है, तो फिर काले धन को हम कैसे रोक सकते हैं ? जो सरकार ने रिपोर्ट प्रस्तुत की है, उसमें इस राजनीतिक काल धन पर कैसे रोक लगे, इसका प्रचार और प्रसार कैसे होता है, इसके बारे में कुछ नहीं कहा गया । इसलिए मैं चाहूँगा कि राजनीति के काले धन को रोक जाए । जो चुनाव के खर्चे हैं उनके लिए आप हिन्दुस्तान की पार्टियों के लिए निश्चित कर दें कि इतने प्रतिशत जिसका वोट मिलेगा उसको राष्ट्रीय पार्टी माना जाएगा और चुनाव के मैदान में उतरने दिया जाएगा और उनके चुनाव का खर्चा सरकार द्वारा दिया जाएगा । किसी भी व्यक्ति को चुनाव में खर्चा करने का अधिकार न हो । चुनाव के प्रचार प्रसार में, पाम्पलेट छापने में किसी तरह के खर्चे का अधिकार किसी को न हो तो देखिए कि काला धन रुकता है या नहीं, हम उस पर काबू पा सकते हैं या नहीं ।

माननीय वित्त मंत्री जी, मैं जो कुछ अपने भाषण के क्रम में आरोप लगाऊँगा वह आप पर आरोप नहीं होगा । मेरा आरोप व्यवस्था पर होगा । मैं जानता हूँ कि जब से आप वित्त मंत्री के पद पर आए हैं, साहस और हिम्मत के साथ काम करना आपने शुरू किया है । लेकिन जब व्यवस्था ही गड़बड़ है, व्यवस्था ही खराब है तो व्यक्ति गन्दी व्यवस्था में रहकर उसका सुधार नहीं कर सकता है बल्कि व्यक्ति को जबरदस्ती उस व्यवस्था का अंग बना लिया जाता है, उसका अंग बनकर रहना पड़ेगा । जो काले धन की जनरेशन होती है, आप भी जानते हैं, आपके आफिसर्स जो आयकर विभाग के हैं, जो कस्टम के हैं, जो एक्साइज ड्यूटी के हैं, वे जानते हैं कि काले धन का सबसे बड़ा जनरेशन वह अधिकारी कराता है जो किसी के फैक्टरी के अन्दर आध से अधिक माल का मूव

के गेट से पास होने देता है । और बाजार में जाकर विकता है । हर कारखाने में आपका अधिकारी होता है, हर कोने और हर सीमा पर आपका कस्टम अधिकारी होता है । आप रेड कराते हैं, व्यापारियों पर रेड कराते हैं, अन्य लोगों पर रेड कराते हैं, छोटे-छोटे लोगों पर रेड होगा लेकिन मैं आप से यह जानना चाहूँगा कि आपके सामा शुल्क और एक्साइज डिपार्टमेंट के जो अधिकारी हैं उनमें से कितने अधिकारियों की तलाशी ली गई ? उन से कभी पूछा गया कि तुम्हारे पास जो अनुपात में अधिक सम्पत्ति है वह कहाँ से आई ? सम्पत्ति का स्रोत क्या है ? क्योंकि ये ही सबसे अधिक काला धन पैदा करने हैं ।

दूसरी बात यह कहना चाहता हूँ कि सोना विदेशों में सस्ता रहेगा लेकिन अपने देश में महंगा रहेगा । अगर आप काला धन रोकना चाहते हैं तो सोने के निजी व्यापार पर प्रतिबंध लगाइये । आप कहिये कि सोने का निजी व्यापार नहीं होगा । सोने का सारा व्यापार सरकार के हाथों में होगा । जो सोना लेना चाहेगा, खरीदना चाहेगा वह बैंक के द्वारा लेगा अथवा चालान भर कर देगा बैंक में । तब उसे सोना मिलेगा । निजी व्यापार अगर होगा सोने का तो वह अपराध माना जायेगा । यह ज़मे तस्करी से सोना आता है इससे काला धन बढ़ता है । और अगर आप ऐसा कर देंगे तो वह रुक सकता है । लेकिन इसके लिये हमें साहस और बल चाहिये ।

मैं दूसरी बात यह बताऊँगा कि आपकी रिपोर्ट में है कि बी०डी०ओ० और पुलिस के जो लोग हैं उनके पास भ्रष्टाचार के स्रोत से पैसा आता है । इसकी चर्चा भी की गई है । लेकिन ये जो बैंक हैं, नेशनलाइज्ड बैंक्स हैं ये सबसे ज्यादा काला धन जनरेट करते हैं । जो आपके पिछड़े लोग हैं, हरिजन-आदिवासी लोग हैं, छोटे तबके के लोग हैं उनको आप सबसिडी देते हैं, एग्रीकल्चर पर, भूमि सुधार पर, उनकी रोजी-रोटी के लिए आप सबसिडी देते हैं, ऋण की सबसिडी देते हैं उसकी 60 परसेंट मनी ब्लैकमनी बन

जानी है, काला धन बन जाता है । जो अफसर इन लोगों को पैसा दिलाता है, कर्ज दिलाता है वह उसमें पैसा खा जाता है और वह पैसा उस अफसर की जेब में चला जाता है । उसका कहीं हिसाब नहीं होता । वह काला धन बनेगा ही । आप हिसाब लगाइये कि एक साल के अन्दर इस मद में आपकी भारत सरकार ने जितना रुपया कर्ज का दिया है उसका 80 प्रतिशत ब्लैक मनी में चला गया है जो बैंक अधिकारी मिल कर, उसमें ने हिम्मा काट कर खा गये । यहां पर भी ब्लैक मनी जैनेरेट हो रही है । मैं आपके सामने मोटे तौर पर कुछ उदाहरण दे रहा हूं । मैं फिर आपसे निवेदन करूंगा कि जो विदेश में भेजने का काम करते हैं लोगों को, माइग्रेशन डिपार्टमेंट, इनको आप छोटा मानते होंगे । लेकिन एक हजार से ज्यादा निजी कम्पनियां हैं, जो लोगों को विदेश भेजती हैं, उनके लिये विजा और पासपोर्ट बनाती हैं । मैं जब इसकी तह में खोजने लगा तो इसका रहस्य निकला कि प्रति व्यक्ति ये जो निजी कम्पनियां लोगों को विदेश भेजती हैं वे एक आदमी से पांच हजार से लेकर आठ हजार तक रुपया वसूल करती हैं इसमें से माइग्रेशन डिपार्टमेंट भी खाता है । एक साल में कितने ही आदमी विदेश में भेजे जाते हैं । प्रति व्यक्ति 8 हजार रुपये के हिसाब से गुना किया जाए तो पता लग जायेगा कि कितना काला धन देश में इसके जरिये इकट्ठा होता है । मैं आपसे निवेदन कर रहा हूं कि सम्पूर्ण काला धन बन रहा है । मैं वित्त मंत्री जी को एक छोटी सी कहानी कह कर अपनी बात खत्म करूंगा । किसी राज्य में बहुत अकाल पड़ा । जनता पीड़ित हो गई थी । उस राज्य में एक साधु आया और उसने राजा से कहा देखो तुम्हारे राज में सभी ईमानदार प्रजा है । तुम सब पर विश्वास करते हो । सब को अच्छा मानते हो । आप मानते हो कि सब अच्छा काम करने वाले हैं । मगर तुम्हारे राज में अकाल क्यों पड़ा ? तब राजा ने कहा—आप कोई उपाय बताइये । साधु ने कहा कि देखो एक ही बात कहता हूं कि तुम समझते हो कि तुम्हारे राज के सभी कर्मचारी

ईमानदार और दक्ष हैं तो ऐसा करो कि अमावस के दिन रात को 12 बजे जो एक छोटा सा तालाब है उस तालाब में हर आदमी से कहो कि वह अपने घर से एक-एक घड़ा दूध लेकर आए और इस तालाब में डाल दे और उसमें तुम स्नान कर लेना । तब तुम्हारे राज से अकाल मिट जायेगा । अमावस के रोज हर कर्मचारी को आदेश हुआ कि वह एक-एक घड़ा दूध अपने घर से लाए और इस तालाब में डाल दे । दूसरे दिन राजा स्नान करेंगे और राज्य अकाल से मुक्त हो जायेगा । अगले दिन प्रातः होने ही जब राजा वहां तालाब पर पहुंचा तो केवल पानी ही पानी देख कर आश्चर्य में पड़ गया । वहां दूध का कहीं पता नहीं था । राजा ने उस साधु से पूछा कि यह दूध कहां चला गया ? साधु ने कहा—जिनको तुम ईमानदार और भरोसे वाला समझते थे उन सब आदमियों ने यह समझा कि हमें इसमें एक घड़ा पानी डाल देंगे तो क्या होगा दूसरा आदमी तो दूध डालेगा ही । मैं तो किसी तरह से बच जाऊंगा । इसी भावना में केवल सबने पानी डाला । दूध किसी आदमी ने नहीं डाला । इसलिये दूध आया कहां से । विन मंत्री जी आप जिन अधिकारियों पर भरोसा करते हैं, जिस व्यवस्था पर भरोसा करते हैं, जिन राज्य-कर्मचारियों पर भरोसा करते हैं, जिनके ऊपर आपने काले धन को रोकने की जिम्मेदारी दे रखी है, वही अक्सर काले धन को बढ़ा रहे हैं इसलिए मैं आपसे प्रार्थना करता हूं कि काले धन को रोकने के लिए आप सबसे पहले खर्चों पर प्रतिबन्ध लगाइये, खर्चों पर रोक लगाइये । आप खर्चों पर टैक्स लगा दीजिये । इसमें कम्पनियां भी बहुत गोलमाल करके काला धन कमाती हैं । जो प्राइवेट कम्पनियां हैं वे किस प्रकार से काले धन को कमाती हैं, इस पर हमारे विद्वान सदस्य श्री निर्मल चटर्जी जी प्रकाश डालेंगे । मैं एक मामूली समाजवादी स्कूल में पढ़ा हुआ डा० लोहिया के स्कूल में पढ़ा हुआ आदमी हूं । उसी आधार पर कह रहा हूं । मैं चाहता हूं कि आप खर्चों पर रोक लगाइये । देश में विलासिता की चीजों का उत्पादन बंद कीजिये । विलासिता की चीजों से काला धन पैदा

[श्री हुसमदेव नारायण यादव]

होता है। अगर आप ये दो काम कर देंगे तो काले धन को समाप्त करने में बहुत बड़ी मदद मिलेगी। जीवनोपयोगी जो खर्च होते हैं उनको छोड़कर जो अन्य खर्च हैं उन पर आप प्रतिबन्ध लगा दीजिए और एक निश्चित सीमा से अधिक खर्च करने पर आप टैक्स लगा दीजिए तो काले धन को रोकने में बहुत बड़ी मदद मिल सकती है।

आखिर में मैं यह कहना चाहता हूँ कि राजनीतिक दलों में चन्दा लेने की प्रथा चल गई है। इसके माध्यम से काले धन का प्रवेश होता है। इसी के चलने आतंकवाद और अन्य सब चीजें चलती हैं। इस काले धन से देश का जो नुकसान हो रहा है उस पर आपको गम्भीरता से सोचना चाहिए। श्री ललित मानक की हत्या के पीछे आतंकवाद का हाथ है, ऐसा कहा जाता है। आप जानते हैं कि वे एक मजदूर नेता थे। पूजोपति उनसे खुश नहीं हो सकते हैं। इसी दिल्ली में कितने ही पूजोपति हैं। इसलिए इस हत्या-काण्ड के पीछे और किस का हाथ हो सकता है, इस बिन्दु पर भी आपको जांच करनी चाहिए। इस प्रकार के मामलों में भी काला धन छिपा होता है। इन शब्दों के साथ वित्त मंत्री जी से कहना चाहता हूँ कि काले धन के खिलाफ आपने जो कदम उठाये हैं, पूजोपतियों के खिलाफ आपने जो कदम उठाये हैं, उसका मैं समर्थन करता हूँ। बहादुरी से आप यह लड़ाई लड़ते जाइये। लेकिन इस बात को भी याद रखिये कि काले धन को पैदा करने वाले आप को अभिमन्यु की तरह से, जिस प्रकार से अभिमन्यु को चक्रव्युह में फंसा दिया गया था उसी प्रकार से फंसाने की कोशिश करेंगे। इसलिए आपको बहादुरी और हिम्मत से काम लेना होगा। अगर आप इस दिशा में ठोस कदम उठाएंगे तो हिन्दुस्तान की गरीब और दलित जनता आपको धन्यवाद देगी।

उपसभाध्यक्ष (श्री चिगनभाई मेहता) :

श्री हुसमदेव नारायण यादव जी का समय 7 मिनट का था, लेकिन वे 12

मिनट बोले। इसलिए मेरी विनंती है कि जल्दी खत्म करें, टाइम पर खत्म करें।

I don't know, those speakers who are left behind, they generally suffer. Therefore, not to do injustice to them, when I ring the bell I expect you to conclude. The time is not allotted by me but the Business Advisory Committee.

So, please restrain your selves. Sometimes Members are repeating what is already haated and irrelevant issues are also being raised. So, please be pointed in your observations. Mr. Jain

श्री जे० के० जैन (मध्य प्रदेश) :
उपसभाध्यक्ष महोदय, ब्रिटानवी सरकार जब हमारा देश छोड़कर गई तो बहुत सी चीजें विरासत में दे गई और उसकी दी हुई विरासत की चीजें हम आज तक भोग रहे हैं। साम्प्रदायिक तनाव ब्रिटानवी सरकार की देन है, टेक्सेशन की जो नीति हमारे देश में चल रही है, वह ब्रिटानवी सरकार की देन है, वर्तमान प्रशासन प्रणाली ब्रिटानवी सरकार की देन है और पुराने अधिकारी जिन्होंने ब्रिटानवी सरकार के नीचे काम किया था, वे भी उसकी ही देन हैं। ये चीजें हमें आज देश की आजादी के बाद, 35 वर्ष के बाद, इस बात के लिए मजबूर कर रही हैं कि किस तरह से सारा देश काले धन की चपेट में आ चुका है। आज काला धन इस तरह से हर व्यक्ति के जीवन में व्याप्त हो चुका है कि चाहे व्यापारी हो, उद्योगपति हो, यह बहुत आसान होता है कि अगर कोई बात हुई तो व्यापारी की गर्दन पर हाथ डालो या उद्योगपति को पकड़ लो। आज इतने लोग यहाँ बैठे हैं और दूसरे सदन में बैठे हैं, असेम्बली में बैठे हैं। वे सब अपने अपने गिरेवान में हाथ डालकर देखें, मैं पक्षपाती नहीं हूँ, वा पारियों का और उद्योगपतियों का। लेकिन मैं जानना चाहता हूँ कि आज इसके लिये जिम्मेदार कौन है। हमारी आर्थिक नीति इसके लिये जिम्मेदार है। हमने ऐसी आर्थिक नीति बनाई

हैं, जिनसे इन 38 वर्षों के अन्दर हमने आदमी को चोर बनने के लिये मजबूर कर दिया है। आज देश का एक एक व्यक्ति चोर नजर आता है। इन 38 वर्षों के अंदर जो आर्थिक नीतियां, हमारे एकानामिक एडवाइजर्स ने, जो अग्रेजों, ब्रिटानिया सरकार के नौकर थे, उन्होंने बनाई, उन्हीं आर्थिक नीतियों पर हम चले और आज हमको चार घंटे इस पर डिबेट करने के लिये देने पड़े। उपसभाध्यक्ष महोदय, कोई भी काम जब जोर-जबर्दस्ती से किया जाता है तो वह कभी सफल नहीं होता। प्रेशर उतना ही डाला जाय जितना कि बर्दाश्त हो सके। हमने प्रेशर इतना डाला कि लोग व्हाइट मनी बनाना भूल गये और ब्लैक मनी बनाने के अंदर लग गये। रामायण में एक चौपाई है कि :

“खाये खर्चे जो जुड़े तो जोड़िये करोड़”

हर व्यक्ति को अपने खाने के लिये, अपने पहनने के लिये, अपने रहने के लिये, अपने परिवार के सदस्यों के सुख के लिये पैसे की आवश्यकता होती है। कौन व्यक्ति ऐसा होगा जो अपने घर के बच्चों को भूखा रखेगा। भूखे की परिभाषा किसी की नजर में कुछ और हो सकती है, पहनने की परिभाषा किसी की नजर में और हो सकती है लेकिन जो व्यक्ति मेहनत से जितना कमाता है वह पहले देखता है कि वह अपने बच्चों को भरपूर पेट भोजन दे और कपड़े दे और उसके बाद सरकार को टेक्स भी दे। लेकिन जब व्यक्ति भूखा और नंगा रहेगा तो सरकार को कैसे टेक्स देगा ? आप उसके साथ जोर-जबर्दस्ती करेंगे तो वह चोरी करेगा और वह टेक्स देने के लिये तैयार नहीं होगा। आजादी के बाद हमारे देश में इन 38 वर्षों में यही हुआ। उपसभाध्यक्ष महोदय, मैं यह दावे के साथ कहता हूँ कि इतने वर्षों में जितनी करेंसी छपी है, बहुत सी फिंगर्स आती हैं कि 20 हजार करोड़ रुपया ब्लैक में है, 30 हजार करोड़ रुपया ब्लैक में है। लेकिन मैं कहता हूँ कि अब तक छपी हुई करेंसी का 90

प्रतिशत पैसा ब्लैक में चल रहा है। सिर्फ 10 प्रतिशत पर हमारी सरकार चल रही है। आज जब इतनी जबर्दस्त ब्लैक मनी की एकानामी देश में चल रही है तो इस देश का क्या होगा ? इंसान जो पैसा कमाता है वह देश के प्रोडक्शन में लगना चाहिए लेकिन वह छिपाकर रख दिया जाता है और जब आप सच्ची करते हैं तो वह रुपया कहाँ जाता है ? आप पता करिये जाकर ब्लैक मार्केट के अंदर कि किस तरह से डालर और पौंड के भाव बढ़े हुए हैं। कारण क्या है ? आप रेड करते हैं लेकिन डालर और पौंड के भाव हिन्दुस्तान में ऊँचे होते चले जा रहे हैं। यह सारा धन स्विटजरलैंड के बैंकों में हमारे देश के व्यापारी, उद्योगपति और माफ करियेगा हमारे राजनीतिज्ञ बाहर भेज रहे हैं। क्योंकि हर व्यक्ति को धन प्यारा है। कौन व्यक्ति है जो कह सके कि मैं सन्यासी हूँ और जिसको धन से प्यार नहीं है। मुझे यह कहने हुए जरा भी... (व्यवधान)... देखिये, बहुत से व्यक्ति ऐसे होते हैं जिनके ऊपर हर बात लागू नहीं होती। जो हमारे सदस्य महोदय बोल रहे हैं मैं उनकी बात से पूरी तौर पर इत्फाक रखता हूँ कि अच्छे व्यक्ति भी हैं। लेकिन आज बुराई इतनी छा चुकी है कि वे अच्छे व्यक्ति भी गेहूँ में घुन की तरह पित्र रहे हैं। इसलिये माफ करियेगा।

उपाध्यक्ष महोदय, पैसा हमारा विदेश चला गया। इन 38 वर्षों के अंदर हजारों हजार करोड़ रुपया स्विस् बैंकों के अंदर रखा गया है। लोग मर गये... (व्यवधान)... आप पता करिये आपकी जिम्मेदारी है। किसी को क्यों कहते हैं। मुंह मत खुलवाइये। उपसभाध्यक्ष महोदय, स्विजरलैंड की पर-कैपिटल इनकम आज आसमान पर पहुंच गई है। किसका धन है वह ? लोग वहाँ पैसा रखकर मर जाते हैं। उपसभाध्यक्ष महोदय, हम यदि चाहते हैं कि देश के अंदर ब्लैक मनी समाप्त हो तो इसके लिये हमको कुछ उपाय करने होंगे। हमने बियरर बॉंड स्कीम निकाली, बहुत सी वॉलंटरी

[श्री जे० के० जैन]

डिस्कलोजर स्कीम निकाली । लेकिन क्या हुआ ? समस्या वहीं की वहीं पड़ी रही । कभी यह नहीं सोचा गया कि ब्लैक-मनी जनरेट क्यों हो रही है, कहां से हो रही है ? हम ऊपर-ऊपर की बातें करके स्कीम्स निकालते रहे और ब्लैक-मनी उससे दुगुनी रफ्तार से और जनरेट होती चली गयी ।

महोदय, कौनसी ऐसी चीज है जिसके अंदर ब्लैक मनी नहीं है, सरकार ब्लैक मनी नहीं बनाती, लेकिन मैं यहां यह कहना चाहता हूं कि सरकार ब्लैक-मनी बनवा जरूर रही है । क्या हो रहा है ?

हम कोटे देते हैं, परमिट देते हैं, चाहे वह स्टील अथारटी आफ इंडिया के माध्यम से हों, चाहे वह सीमेंट और लोहे के कोटे हों । क्या है कि कोटे के अंदर जिस दाम पर चीज मिलती है, सरकार जानती है, सरकार के अधिकारी जानते हैं, मंत्री जानते हैं । दो हजार रुपया टन से लेते हैं और बारह हजार टन में बेचते हैं । कहां जाती है वह दस हजार रुपये की ब्लैक ? हम अपने हाथों से हजारों करोड़ों रुपया ब्लैक का जनरेट करवाते हैं । ट्रांसपोर्ट के हम परमिट देते हैं । मेरे कुशल मंत्री यहां बैठे हैं । आज आल इंडिया परमिट की क्या कीमत है ? क्यों, आपने यह परमिट सिस्टम रखा हुआ है ?

आप स्टेट को कोटा देते हैं कि फ्लां स्टेट को हम 500 ट्रक के परमिट दे रहे हैं, दूसरी स्टेट को एक हजार बसों के परमिट देते हैं, आप अलाट करवाते हैं, लेकिन एक-एक परमिट की कीमत दो-दो लाख रुपये । आपने अपने हाथों से हजारों लाखों ट्रकों के और बसों के परमिट दिये और उन हजारों लाखों बसों और ट्रक के परमिट का क्या परिणाम निकला ? हजारों और करोड़ों रुपया ब्लैक का ट्रांसपोर्ट के हाथों से परमिट देने वालों के हाथों में चला गया ।

काहे को आज परमिट सिस्टम रखते हैं ? बंद कर दीजिए और कहिए कि

यह पैसा सरकार को आएगा, आल-इंडिया परमिट चाहिए, आप कीमत निश्चित करिए कि इतने का यह परमिट है, जंगल परमिट चाहिए, रीजमल परमिट चाहिए, इतने का परमिट है, आइये, जिसको चाहिए आकर लो—अगर आज ब्लैक मनी स्टाप करना चाहते हैं । ब्लैक मनी इन बातों से स्टाप नहीं होगा, उसके ऊपर आपको इम्प्लीमेंटेशन करना होगा ।

उपसभाध्यक्ष महोदय, मकान बनता है, दस लाख रुपया मकान में लग गया, कीमत दिखा दी गई दो लाख रुपया । हर चीज में ब्लैक, कौन नहीं जानता कि किस कालोनी के अंदर किसी मकान की, किसी दुकान की, किसी प्लॉट की, किसी फ्लैट की क्या कीमत है । हर व्यक्ति जानता है और वह व्यक्ति जो ब्लैक के पैसे से पचास लाख का मकान खरीदता है, वह दस लाख में रजिस्ट्री करवा ले जाता है और हमारी सरकार, हमारे अधिकारी उस पर अपने हाथ से, अपनी कलम से दस्तखत करते हैं ।

उपसभाध्यक्ष महोदय, आज 79,313 यूनिट्स सिक हो गये । कहां से हो गये सिक ? 1984 जून तक की यह फिगर है, 513 लार्ज सिक इण्डस्ट्री यूनिट्स हुए, 1434 मीडियम हुए और 78,363 स्माल स्केल में जो यूनिट्स हैं । अभी साल भर की फिगर नहीं आई है । यह तो जून 1984 तक की है । इन अस्सी हजार यूनिट्स ने रुपया आपके फाइनेंशल इंस्टीट्यूशंस से करोड़ों-करोड़ रुपया उधार लिया और उधार लेने के बाद यह अस्सी हजार यूनिट कहां चले गये ?

यह सब रुपया, जैसे मौसमी में से जूस निकाल लिया जाता है, इन इण्डस्ट्रियल यूनिट्स को लगा कर उसमें से धन निकाल कर ले गये और ब्लैक मनी बना कर या तो यहां छिपा कर रख दिया गया या कहीं विदेश में भेज दिया गया । हजारों करोड़ों रुपया सरकार का और फाइनेंशल इंस्टीट्यूशंस का ब्लैक मनी के अंदर कहां से ट्रांस्फर हो गया है ?

उपसभाध्यक्ष महोदय, इण्डस्ट्री लगाने के बाद हर व्यक्ति जानता है, मंत्री जानते हैं, अधिकारी जानते हैं, हम जानते हैं कि सौ करोड़ का यूनिट जो बनता है तो उसके बीजक पहले से ही इनफ्लेट करके बनवाये जाते हैं क्योंकि मार्जिन मनी लगाना पड़ता है। कितना? दस प्रतिशत। 25 प्रतिशत पहले से ही उसमें खींच लिया जाता है। पन्द्रह करोड़ की आमदनी यूनिट लगाने से पहले ही हो जाती है। लगा देता है 10 करोड़ बड़े आराम से लेकिन फाइनेंसियल इन्स्टीच्यूशन का पैसा उसमें शामिल होता है, अपना पैसा भी जो उसने लगाया है वह उसमें से खींच कर 15 करोड़ निकाल कर पहले अपने घर में रख लेता है जिस चीज की जड़ में चोरी है उस चीज अर्थात् उस औद्योगिक ईकाई का कभी विकास नहीं हो सकता। उपसभाध्यक्ष महोदय, यही कारण है कि 80 हजार यूनिट जून, 1984 तक अपने फेल हो गये। उपसभाध्यक्ष महोदय, एक ओर जहाँ इन्डस्ट्रियल यूनिट सूख रहे हैं, हमारे यहाँ उत्पादन नहीं हो रहा है गरीब के तन पर कपड़ा नहीं, रहने को मकान नहीं, दिल्ली जैसी नगरी में आज कोई व्यक्ति कल्पना नहीं कर सकता कि अपना मकान बना ले। मकान की सोचता है तो पता लगता है कि 10 लाख से लेकर तीन करोड़ रुपये तक का एक-एक मकान बिक रहा है। कर लीजिए बात, तीन करोड़ का बगला लेने वाला व्यक्ति, सल्वे जी यहाँ बैठे हैं, हिन्दुस्तान के माने हुए चार्टर्ड एक्साउटेन्ट तीन करोड़ का मकान लेने वाले व्यक्ति को कम से कम 20 करोड़ रु० का टेक्स जब देगा तब वह तीन करोड़ का मकान का मालिक बन सकता है। बनाइए, वित्त मंत्री महोदय आपको जानकारी है इस बात की, हजारों आदिमी दिनों में रहते हैं, करोड़ों रुपयों के बगलों की नगरी कोई व्यक्ति ऐसा बताइए कि जिसने 20 करोड़ रुपये की रिटर्न फाइल की हो? एक भी नहीं मिलेगा।

एक माननीय सदस्य : क्यों ?

श्री जे० के० जैन : क्यों मत करिए, यह जरूरी मामला है जिस पर आप डिबेट कर रहे हैं। यदि आप इस सदन में हर चीज को लाइटली लेने हैं तो आप वहाँ के लिए यहाँ पर मजबूर भी मत किया करें। यह सीरियस मैटर है। उपसभाध्यक्ष महोदय, हमको सोचना पड़ेगा कि काले धन की चोरी कहां से होती है। अगर इस सदन में एक मिनट के लिए बत्ती गुल हो जाती है तो विरोधी दल के भाई चीखते हैं कि बत्ती गुल हो गई। क्यों हुई? क्योंकि ट्रांसफार्मर की मेनटीनेंस नहीं हो रही है। किमलिए, इसलिए बिजलीघर को पैसा नहीं मिल रहा है। क्यों नहीं मिल रहा है? औद्योगिक ईकाई इन्डस्ट्री लगाने वाला व्यक्ति जानता है कि यदि उसका बिल 20 हजार रुपये महीने का था तो उसके हिसाब से उसका प्रोडक्शन खातों में दिखानी पड़ेगी। खानों में जब प्रोडक्शन दिखायेगा तो एक्साइज देना पड़ेगा। जब वह एक्साइज देगा तो सेल टैक्स जायेगा और जब सेल होगी तो इन्कम बढ़ जायेगी और जब इन्कम बढ़ेगी तो विश्वनाथ जी कहेंगे कि लाओ, वेदा टेक्स दो। तो चोरी कहां से शुरू हुई? इन्डस्ट्रियल यूनिट का मालिक बिजली घर के इन्स्पेक्टर को बुलाता है। भाई 20 हजार रुपये महीने का बिल आ जायेगा। मैं तो बर्बाद हो जाऊंगा। इन्स्पेक्टर महाशय कहते हैं 20 हजार का नहीं, लाना जी, इसको मैं तो 2 हजार का कर दूंगा। देखिए, चोरी कहां से शुरू हुई? 18 हजार रुपये की बिजली की चोरी और यहाँ बत्ती गुल, ट्रांसफार्मर मेनटेन नहीं हो सकते। आज हिन्दुस्तान की एक-एक नगरपालिका घाटे में चल रही है। बिजली नहीं मिलती, कटौती हो रही है। ट्रांसफार्मर फुक जाता है, तीन-तीन दिन तक उसकी मरम्मत नहीं होती। उसको रिप्लेस नहीं कर सकते, पैसा नहीं है, क्योंकि जो हमने प्लान किया था कि शमुक बिजलीघर बनाकर इन्ने की हमको बिनिंग करेंगे और इन्ने की आमदनी होगी, उसका 80 परसेंट पैसा ब्लैक में चला गया। जब 18-हजार की बिजली की चोरी हुई। 10 टुक का माल निकला और दो टुक की एक्साइज भर दी गई तथा 8 टुक फ्री। जब 8 टुक माल गया तो वह कहां

[श्री ज० क० जैन]

गया ? दिल्ली और बड़े-बड़े नगरों के बाजारों में । उसका पर्चा नहीं कटता, सेल टैक्स का नाम नहीं और जब सेल टैक्स नहीं तो आप इन्कम टैक्स कहाँ से लेंगे ? यह आपकी चोरी जहाँ से हुई रही है उस खात को आपको बंद करना होगा । अध्यक्ष महोदय, यह ऐसी विकराल समस्या, जो आज हमारे देश को निगल लेना चाहती है, इसके ऊपर आपको बड़ी दरियादिली से काम लेना होगा । आपने 35 वर्ष तक एक ऐसी आर्थिक-नीति को अपना कर देख लिया, जिसने देश की अर्थ-व्यवस्था को चरमरा कर रख दिया है । आप बदल डालिए और उन अधिकारियों को कहिए कि अब हम तुम्हारी ऐसी बातों को कतई नहीं सुनना चाहते, जिनमें दबाव की नीति हो । हम अपने देशवासियों को समृद्ध देखना चाहते हैं और यदि देशव्यापी समृद्ध होगी, तो हमारा देश समृद्ध होगा, हमारा सरकार समृद्ध होगी और हमारे देश का विकास होगा । (समय की घंटी)

अध्यक्ष महोदय, मैं दस मिनट और लूंगा, मैं आपसे पहले ही निवेदन कर रहा हूँ । अध्यक्ष महोदय, बड़े विडम्बना है कि 35 साल में 35 करोड़ से 77 करोड़ की आवादी और हायरैक्ट टैक्स केवल 3300 करोड़ रुपये । वह, 3300 करोड़ रुपये हमें सिर्फ टैक्स मिलता है । क्यों मिल रहा है सिर्फ इतना टैक्स ? मैंने हिन्दुस्तान के अन्दर जो विश्लेषण किया, यहाँ चार वर्ग के लोग हैं । एक वर्ग वह है, जो लाखों रुपये का धन कमाता है और धन कमाने के बाद इन्कम टैक्स के विभाग की तरफ मुँह उठाकर भी नहीं देखता है, वह कहता है कि मैं नहीं जानता इन्कम टैक्स विभाग को, यह मेरी मेहनत की कमाई है । दूसरा वर्ग है, जो एक लाख रुपये कमाने के बाद अपने वकील के पास जाता है और कहता है कि वकील साहब, एग्जम्पशन-लिमिट कितनी है ? वह कहता है—पन्द्रह हजार । अच्छा, मेरी फाइल बनवा दो पन्द्रह हजार की और फाइल बन गई, सर्टाफिकेट लगा दिया आय का, इन्कम टैक्स असेसी,

खाता बन्द । तीसरा वर्ग जो है, एक लाख रुपये कमाया और कहता है चलो सरकार को कुछ दक्षिणा दे दो भाई, एक परसेंट या दो परसेंट । चौथा वर्ग एक लाख की आमदनी करने वाले व्यक्ति 25,000 से ज्यादा की रिटर्न दाखिल नहीं कर रहे हैं, अगर किसी व्यक्ति की आमदनी 10 लाख है, तो 25 हजार प्रति लाख के हिसाब से दई लाख की रिटर्न होगी । रिटर्न दाखिल करने वाले कितने व्यक्ति है बताया, यह कहिए कि हिन्दुस्तान के अन्दर इतनी आय करने वाला कोई व्यक्ति नहीं है । हिन्दुस्तान के अन्दर 10 लाख में लेकर सैकड़ों करोड़ रुपये वार्षिक आय करने वाले लाखों-करोड़ों व्यक्ति है आपके यहाँ इन्कम-टैक्स रिटर्न कितने लोग दाखिल करते हैं ? सिर्फ 35 या 40 लाख और उसमें से सरकारी कर्मचारी, यह बेचारे मुँह बंद, वकरी और गाय, इनको आप दोह लीजिए, यह अपना ही खून, अपना ही मांस, उसकी पी लीजिए या काटकर खा लीजिए । यह है आपकी आर्थिक नीति और यह है आपकी टेक्मेशन नीति ।

अध्यक्ष महोदय, आपको बहुत आमूल-चूल परिवर्तन करने होंगे, अपनी आर्थिक नीति को आपको बदलना होगा । यदि आप देश के अन्दर सचमुच हरित-क्रान्ति की तरह आर्थिक-क्रान्ति लाना चाहते हैं, तो आपको वित्त मंत्री महोदय, मैं आह्वान करता हूँ कि आप जैसे मज्जन पुरुष के होते हुए आप जैसे इमानदार पुरुष के होते हुए देश का अगर विनाश हो, लोक-मार्केट से कमाने वाले व्यक्ति पतने, तो इतिहास आपको क्षमा नहीं करेगा । विश्वनाथ बाबू, आपने उत्तर प्रदेश के मुख्यमंत्री पद को छोड़ा, आपके भाई का वलिदान हुआ और आज सौभाग्य से आप वित्त मंत्री बने हुए हैं । आइए, देश को बनाने में, कुछ ऐसी गलत आर्थिक नीतियों को बदलने में कुछ ऐसे कदम उठाइए, जिनसे आने वाली सदियों आपको याद करें ।

अध्यक्ष महोदय, अब मैं कुछ सुझाव देना चाहता हूँ । अध्यक्ष महोदय, आप रेट को रहे हैं, काँटिए ।

THE VICE-CHAIRMAN (SHRI CHIMANBHAI MEHTA): Mr. Jain, may I remind you that you have already taken a lot of time? Whenever a Member exceeds his time, the excess time taken by him is deducted from the time left for other speakers from that party. Now in this case I have cut out my name from the list. Please bear this in mind.

श्री जे० के० जैन : अध्यक्ष महोदय, 1 लाख 80 हजार करोड़ रुपया आपको पंचवर्षीय योजना के लिए चाहिए। आज हमारे युवा प्रधान मंत्री श्री राजीव गांधी ने इस बात का प्रण किया है कि मैं हिन्दुस्तान के नागरिक को बीसवीं सदी समाप्त होने से पहले हर सुविधा दिला देना चाहता हूँ जो विश्व के किसी भी विकसित देश के नागरिक को प्राप्त हैं। हमारे प्रिय नेता के इस प्रण और आह्वान में वित्त मंत्री महोदय का योगदान बहुत आवश्यक है। जैसा मैंने बताया 1 लाख रुपया कमाने वाला व्यक्ति 25 हजार रुपए से ज्यादा का रिटर्न फाइल नहीं कर रहा और 25 हजार का रिटर्न फाइल करने पर सरकार को क्या मिलता है? 2200 रुपया। तीन कैटेगरी तो समाप्त हो गई जो इनकम टैक्स के कार्यालय नहीं जाने जो सिर्फ 15 हजार की एग्जेंशन लिमिट तक फाइल बनवाते हैं और चौथी कैटेगरी के लोग एक लाख रुपए कमा कर 25 हजार के रिटर्न पर 2200 रुपया देते हैं। क्या आप इनने से संतुष्ट हो जाएंगे। 1 लाख 80 हजार करोड़ रुपया आपको चाहिए। मैं मानना हूँ आपने 50 प्रतिशत की छूट दी है। 50 प्रतिशत की छूट मिलने पर हिन्दुस्तान का व्यापारी वर्ग और औद्योगिक वर्ग बहुत प्रसन्न नजर आ रहा है। कारण क्या है उसकी प्रसन्नता का। 35 वर्षों के अन्दर हमने उनको आदत डाल दी है कि झूठे बिल बनाओ और खर्च के अन्दर डालो। हजारों एजेंसियां सारे देश भर में बोगस बिल बनाने के लिए बैठी हैं। उनका धन्या सिर्फ झूठे बिल बना कर व्यापारियों को, उद्योगपतियों को सप्लाय करने का है। 50 लाख की आमदनी करके 40 लाख के बोगस बिल और 10 लाख का रिटर्न फाइल। बहुत सुन्दर। व्यापारी

कहता है कि जो 50 परसेंट माफ हुआ है वह तो मेरा व्हाइट का मनी बन गया, बाकी 50 परसेंट में बिल डालना है। आपको कुछ मिलने वाला नहीं है। आपको 3300 करोड़ रुपए डायरेक्ट टैक्स के रूप में मिलते हैं। आप कितने ही रेड कर लीजिए, कुछ भी कर लीजिए—मैं रिकार्ड पर लाना चाहता हूँ—हो सकता है आपको 400-500-700 करोड़ रुपया और मिल जाये। इससे अधिक आपको प्राप्त होने वाला नहीं। यही हो सकता है कि हृद से हृद इस चालू वर्ष के अन्त में 3300 करोड़ रुपए की जगह आपको 4000 मिल जाएँ। लेकिन इतना बड़ा मुक्त और इतनी सी उपलब्धि शोभा नहीं देगा। आज क्रांतिकारी कदम उठाने होंगे। अध्यक्ष महोदय, जो सुझाव मैं देने जा रहा हूँ, शायद आप लोग कहेंगे कि क्या सुझाव है, लेकिन मैं दे रहा हूँ। आपको उन पर मनन करना होगा, चिन्तन करना होगा और यदि आप ठीक समझें तो उन्हें इम्प्लीमेंट कराएं। जब हमने चोरी सिखा दी तो बड़े बुजुर्ग कहते हैं कि जब बीमारी संक्रामक हो जाए तो कायाकल्प करना होता है। दवाई काम नहीं देती। भोजन पचता नहीं तो कहते हैं कि सिर्फ मट्ठा पीओ। काले धन को खत्म करने के लिए इस सरकार को कायाकल्प करना होगा, इनकम टैक्स माफ करना होगा।

अध्यक्ष महोदय, योजना मेरी क्या है? 1 लाख रुपये तक कमाने वाला व्यक्ति 25 हजार की रिटर्न फाइल करके 2200 रुपया सरकार को देता है। आपने 50 परसेंट माफ किया है। मैं कहता हूँ कि आप 50 परसेंट माफ कर दीजिए और व्यापारी को कहिए, रिटर्न फाइल करने वाले को कहिए कि जो तुम्हारा 50 परसेंट रुपया है वह बैंक में जमा होगा 7 वर्ष के लिए। भाइयो, हर व्यक्ति जानता है कि 7 वर्ष के बाद आप यदि सौ रुपया जमा करें तो वह दो सौ हो जाता है। 50 हजार रुपया जो आपके सरकारी बैंक में जमा होगा, उसके ऊपर सरकार ब्याज वसूल करेगी और वह 50 हजार रुपया 7 वर्ष के अन्दर एक लाख हो जाएगा। जिसने वह रुपया जमा किया है 7 वर्ष बाद उसको

[श्री जे० क० जैन]

वह वापस मिल जाएगा। अध्यक्ष महोदय, जहाँ आपको 1 लाख रुपये के ऊपर 22 सौ रुपया मिलता है और जहाँ आपको 1 लाख रुपये की रिटर्न के अन्दर 7 वर्ष के अन्दर 50 हजार रुपया मिलता है, ऐसा करने में रिटर्न्स की भरमार हो जाएगी। हजारों हजार करोड़ रुपया आपके पास रिटर्न्स के रूप में आपके राष्ट्रीयकृत बैंकों के अन्दर डिपोजिट हो जाएगा। लीजिए 1 लाख 80 हजार करोड़ रुपया आपके बैंकों में आएगा और आपकी पांच साला योजनाएं आपको सफलीभूत होती हुई नजर आयेंगी।

अध्यक्ष महोदय, इस योजना के ऊपर आपको क्रांतिकारी कदम उठाने होंगे। इस योजना पर जो मेरे पास है, मैं इसकी वापी आपको देने को तैयार हूँ, 7 साल के अन्दर जिस व्यक्ति या जिस व्यापारी का पैसा बैंक में जमा होगा उसको यह भी सुविधा दीजिये कि इस पैसे के अग्रेस्ट 50 परसेंट तब उसको उधार दिया जा सके। किसी की सिफारिश की जरूरत नहीं होगी। बैंक मैनेजर के कैबिन में जाइये और कहिये कि 12 परसेंट या 14 परसेंट पर लोन दीजिये। गारन्टी की आवश्यकता नहीं क्योंकि गारन्टी के रूप में 25 हजार रुपया आपके बैंक के अन्दर जमा होगा। 7 वर्ष के बाद यदि वह व्यक्ति 25 हजार रुपया मारने की कोशिश करेगा तो वह भी बेकार होगा क्योंकि उसी का वह रुपया है। अध्यक्ष महोदय, हिन्दुस्तान के अन्दर ब्लैक मनी नाम की चीज हमेशा हमेशा के लिये समाप्त हो सकती है। यह है आर्थिक क्रांति लाने का एकमात्र उपाय। आप बहुत मे उपाय सोच रहे हैं, सोचने रहिये। ब्लैक मनी जैनरेट होता रहेगा बहुत सी स्कीमें आप लाते रहेंगे, बालन्टरी डिस्कलोजर स्कीम, गोल्ड डिस्कलोजर स्कीम, बियरर बॉन्ड स्कीम लेकिन जो स्रोत है काले धन का वह आपमें रुकने वाला नहीं है।

अध्यक्ष महोदय, अब मैं कुछ बातें बताना चाहूंगा। अध्यक्ष महोदय, जो

समाजवादी देश है उनके अन्दर भी एक व्यक्ति को एक मकान है। मेरे कम्युनिस्ट भाई यहाँ बैठे हैं, बताइये अब तो हमारे समाजवादी और कम्युनिस्ट देश भी एक व्यक्ति को एक मकान मिलेगा, ऐसा कह चुके हैं और हमारे देश में एक मकान के ऊपर टैक्स ही टैक्स है। आपको यह सोचना पड़ेगा कि एक व्यक्ति को एक मकान के लिये वैल्यू टैक्स से एंक्जैप्ट किया जा सके नहीं तो इसी प्रकार से काला धन इन मकानों के अन्दर और इन फ्लैट्स के अन्दर उत्पन्न होता रहेगा और इन फ्लैट्स के अन्दर लाखों करोड़ों की मात्रा में जाता रहेगा।

उपसभाध्यक्ष महोदय, जो मुझसे मेरे प्रमुख हैं वह मैं आपके सामने रुख चुका हूँ। एक बात कह कर मैं अपनी बात समाप्त करूंगा। हम को यदि सरकार में से व्याप्त भ्रष्टाचार समाप्त करना है तो हम को उसके लिये ठोस कदम उठाने पड़ेंगे। (समय की घंटी) मैं पहले ही कह चुका हूँ कि एक मिनट में अपनी बात समाप्त कर रहा हूँ।

एक क्लर्क को जिस को 600 या 700 रुपये तनख्वाह मिलती है अगर उसके घर में चार जवान बेटियाँ और एक जवान बेटा है तो दो रुपये भी उसके पास अपने बेटे को देने के लिये नहीं होंगे। वह भ्रष्टाचार नहीं करेगा तो क्या करेगा। आप तनख्वाह बढ़ा नहीं सकते क्योंकि आपके खजाने के अन्दर पैसा नहीं है। भ्रष्टाचार हटाना है तो आपको अपने रैवेन्यू के साधन बढ़ाने होंगे। इस देश का नागरिक जो एक सूखी रोटी पर प्याज और नमक से अपना पेट भर सकता है। मैं दावे से कह सकता हूँ कि आप उसके घर के बच्चों का लावन-पालन ठीक से करवायेंगे तो कोई कारण नहीं है कि वह भ्रष्टाचार करे। वह भ्रष्ट नहीं है, वह देश को बेचने वाला नहीं है, वह देश का रक्षक है, देश का भक्षक नहीं है। इन शब्दों के साथ मैं आप से निवेदन करता हूँ कि वह दिन इस सदन में या उस सदन में दुबारा से नहीं आना चाहिये जिस पर ब्लैक मनी पर चर्चा करने

के लिये हमें समय बर्बाद करना पड़े। यह चार घंटे का समय देश के विकास की योजनाओं पर यहां पर लगायें और ब्लैक मनी का जो जैनेशन धुंधला तरीके से हो रहा है उस ब्लैक मनी का जैनेशन आपके हाथों से हमेशा हमेशा के लिये खत्म हो जाये, यही मैं चाहता हूँ। धन्यवाद।

SHRI NIRMAL CHATTERJEE (West Bengal): Mr. Vice-Chairman, Sir, despite quite a beautiful couplet in Bengali literature, a free translation of which means—

If black you consider to be that bad,
why do you weep. Madam, when your
hair turns grey?

Black is considered to be beautiful in certain circles in our country. But presently, Sir, the mood of the House seems to reflect that we are all concerned with black income, black wealth and the report on black money and black wealth. Perhaps not for identical reasons—we include both Mr. Salve and myself—and the reasons might be exactly opposite. One might be trying after reading the report, how to have more routes to generate it and the other the opposite, I do not know. But we are all concerned. Let me begin with the report. There are some who have characterised this report as a *damp squib*, almost a meaningless exercise. Partly they say this because the estimate that they have come up to is not very worrying.

According to this estimate, the estimate of black income generation each year is about 18 to 21 per cent. One can pat one's back particularly after getting enough education in the World Bank and I.M.F. culture that the strongest democracy in the world has a higher rate of black income generation every year. According to this estimate, if ours is between 18 to 21 per cent, then according to Dr. Tansi who is a World Bank and I.M.F. author, in the case of the United States the generation of black income is 22 per cent. Therefore, some say that it is a *damp squib* and we need not worry by the generation of black money up to this extent. It is also considered to be a *damp squib* by some other people also because they say that after three years of

mountainous labour what they have discovered in the report is what you already knew. For instance, they say that the black market is generated in these fields such as real estate transactions, large-scale manufacturing, film industry, smuggling and the professions which might include the oldest one and also in construction. But it is interesting to note here that they are silent on one particular area which also generates plenty of black income and that is trade, both internal and external. It is also considered a *damp squib* because the report has said—and who did not know it—that all this black money takes the form of land or ornaments or some such things. Therefore, it is said that after three years of mountainous labour, it has not produced much. It is also considered a *damp squib* because of some such other observations. Here, I do not entirely agree with such a view. Even while it is a *damp squib*, incidentally, it indicts, unintentionally. I am sure, the Government of India when it says that the amount of collection from direct taxes being as low as it is today in India out of the total revenue collection is an indication of generation of black income which is defined as tax-evaded income. So long we have been told by the present Finance Minister, a little less than the earlier honourable one, that it is the experience of all developing countries that collection from direct taxes over the years should get reduced and become a lower and lower percentage of the total tax collection. I believe that while being a *damp squib*, the very statement of this fact is an indictment of the Government's logic.

Now, it is also quite a different thing that there is another view of the report which says that this report is not merely a *damp squib*, but it also contradicts itself. And it recommends, it concludes what is not supported by its premises or at least in that area where it should not have been a *damp squib*, where it made some independent investigations as in the case of sugar industry or in the case of land or estate speculation. For instance, I will just make a brief reference to this because the time is limited, And I will come to other things, and I have to come to other things also. It is said here, and

[Shri Nirmal Chatterjee]

the whole chapter on sugar industry contains statements that neither the tax rate nor the control over sugar industry is primarily responsible for generation of black income there. It is in the report, That is also a part where, in the course of three years, they made an independent investigation. They contributed. Let us admit that. And in that contribution, the finding is this. See the recommendation. It is exactly the opposite of it. The taxes are responsible for generation of black money, controls are responsible for generation of black money. And this Report, when it says that the taxes are responsible, forgets its own figures. The Finance Minister also forgets the figures at times. It has given the figures. What is that figure? Sir, I do not know if I will be able to do full justice to this Report which is too voluminous, and the Finance Minister was not kind enough to give us more time for discussing this. Sir, what are the figures? While in 1975-76 the percentage of gross domestic products, the range of black income as percentage is estimated as 15 to 18, in 1980-81—again their estimate, whatever be the quality of estimate—it is 15 to 18 per cent, and in the year 1983-84, the figure is 18 to 21 per cent. Note the years. It is during the years when the tax rates were reduced. When the tax rates were reduced, the predecessor to this hon. Finance Minister used to claim that it is this tax reduction which will prevent generation or at least reduction in the generation of black income. Here is a proof even quoted by this Report that during this period when taxes were reduced, the black income was going up. (*Time bell rings*) I have on an earlier occasion also indicated through another kind of figure which is not quoted here that income-tax collection as a percentage of national income is coming down over the years when the taxes are being reduced. Is it not an indication that it has no relation at all or, if anything, the indication is the opposite? It is a simple logical question to Mr. Salve, if he speaks after me, or the Finance Minister. No. The House is deprived of something which is very important. What is the approach? Here also they say about tax ratios some-

times, not about tax rates. Just imagine. The approach, the assumption is that those who earn want to pay more to the kitty, want to pay more by way of taxes but what is preventing them is a

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high rate of taxes. When you say that by lowering the rates of taxes, you will be able to collect more, what exactly you are suggesting is that they are willing to pay you more, and when all these people clamour that reduce the taxes that pinches on us, as if they want to contribute more to your coffers. This is a kind of logic which is beyond me. This is a kind of logic which is beyond the economic system that is called monopoly capitalism. (*Time bell rings*).

Sir, since the bell is rung, I will quickly come to other parts. The report is there. Anybody can see the recommendations, and the inferences that they make in many cases. I will not say and I will not dishonour Dr. Acharya, who, incidentally, is trained in the USA, the World Bank, the IMF circle. But there are many insights, I freely admit that in this major recommendation, in this major conclusion they are not defended either by insight or by their own investigation, wherever they have independently entered into. But, Sir, my real objection is neither that it is a damp squib or that it bears contradiction within itself. My real objection is that it is dangerous. The recommendation, that it makes, the wonderful logic that it has got, can be easily seen. It seems, Sir, ...

SHRI N. K. P. SALVE (Maharashtra): Is it your logic that the rates of taxes, however irrational, have no nexus whatsoever to the generation of black money?

SHRI NIRMAL CHATTERJEE: No that is not my argument. I will not deny, Mr. Salve, a very simple fact that if there are no taxes there will be no tax evasion at all. I will not deny, Mr. Salve, that.

SHRI N. K. P. SALVE: The report says that the rate of taxes is one of the reasons for the generation of black money and when they say so, they are not going by the total collection juxtaposed or correlated with the domestic product. All that are saying is that the highest marginal rate of taxation has the effect. My simple question is, do the highest

marginal rates of taxation, according to you, have nexus with the generation of black money?

SHRI NIRMAL CHATTERJEE : I will come to that very soon, I am illustrating. First let me reduce it to an absurdity, and then I will answer it. For instance, as I said, if there is zero taxes, there is no tax evasion. If there is no control, there is no violation of any control. If there is no law in the country, there is no law non-obliging citizen in the country. That is, nothing is illegal. That is true. On the other hand, I immediately concede to him that if it is 100 per cent taxation, then in a capitalist society the incentive for tax evasion is more, I conclude.

SHRI N. K. P. SALVE : In capitalist society or communist society, makes no difference at all.

SHRI NIRMAL CHATTERJEE : If there are controls which cannot be implemented, I admit the scope is for enormous tax evasion or attempt to pierce the boundaries of controls and enter into the world of blacks. I entirely agree. What I do not agree is that if your marginal rate of taxes was 70 per cent and if you reduced it to 50 per cent, your tax collections would increase, and black income generation will decrease. I will just narrate to you the experience of the country which sometimes appears as the God, the USA. One of the lowest rates of taxation is in the USA.

SHRI N. K. P. SALVE : Who has told you that one of the lowest rates of taxation is in the United States?

SHRI NIRMAL CHATTERJEE : I tell you that.

SHRI N. K. P. SALVE : What is the highest marginal rate of taxation in the USA?

SHRI NIRMAL CHATTERJEE : There is a reduction that Mr. Reagan has introduced in the marginal rate of tax.

SHRI N. K. P. SALVE : What is the highest marginal rate of tax?

SHRI NIRMAL CHATTERJEE : They have reduced it by 50 per cent.

SHRI N. K. P. SALVE : In which year?

SHRI NIRMAL CHATTERJEE : In the course of the last 4 years and they are among the low marginal rate of taxation people. There, the generation of black income is 22 per cent, according to Dr. Tenzi whose approach has been adopted here. Now, in every capitalist country, quoted as example with a low rate of taxation compared to which ours is supposed to be more highly taxed country, the generation of black income is as enormous as ours, though it is a damp squib. I lift the veil a little. The 22 per cent of the United States refers to an economy where non-agricultural income is 90 per cent of their national income. Even if it is 21 per cent here, it is admitted that it is not generated mostly in the agricultural sector where approximately 50 per cent of our national income is generated. Even if you assume that, then this 21 per cent, Mr. Salve would concede, provides rather a high figure of black money generation... (*Time bell rings*).

THE VICE-CHAIRMAN (SHRI CHIMANBHAI MEHTA) : Please conclude; you have taken almost double the time.

SHRI NIRMAL CHATTERJEE : But if your heart says that I should be stopped at the unlucky 13th minute, I will stop. Kindly allow me; I shall just conclude.

Now, Sir, I am trying to show nearly the inconsistency in the report, I consider this to be dangerous. It is dangerous because of the recommendations that they make, which the IMF were continuously making for the last 3 years to our country. It is incidental even perhaps that this report was made at the time when the IMF's influences on our country and our indebtedness to IMF were at its highest, between 1932 and 1985. But, Sir, what are the recommendations? Just imagine! One recommendation is, that you reduce duties and taxes when demand for a particular commodity is rather high. So long, we have been told in all our academic studies that if the demand is high, that can be one good source for our duties.

[Shri Nirmal Chatterjee]

The concern today is not the collection of revenue; the concern is that there may be more liberal import of that commodity. It is under cover of the ostensible black income argument. It will reduce smuggling and consequent generation of black income. What is dangerous now is, it is certainly true that if there are no priorities in the economy, whose name is planning, black income does not affect you in distorting priorities. You go away from all priorities and black income is absolutely harmless to both Mr. Salve and to myself. So, the recommendation is, give up your priorities of even development. May I put it this way, Mr. Finance Minister, everybody, every thing in the country is responsible for generation of black income excepting only those few people who actually generate it. This is the whole logic of the picture. It is the public sector expenditure that is guilty, not the private sector expenditure; not that public sector is guilty because it comes into contact with the private sector. May I remind Mr. Salve that as long back as in 1939-40. Mr. K. T. Shah introduced this argument that you talk of corruption in the public sector, I am all for nationalisation; if there is no private sector? This argument remains as yet unchallenged; this argument has not been answered by any economist of repute. I say, it is dangerous because you propose that independent of all priorities, independent of Plan targets, in the name of controlling black income, which basically generates inequality and destroys the priorities, in the name of fighting this evil, you say, give up all the priorities. That is why, I consider this report to be inimical to the interests of the economy of the country. Sir, I am just concluding by referring to those parts...

THE VICE-CHAIRMAN (SHRI CHIMANBHAI MEHTA): Mr. Chatterjee, you have already taken twenty-two minutes. I will be guided by the sense of the House. This is a Short Duration Discussion. If you want it for two days, I have no objection.

SHRI NIRMAL CHATTERJEE: I am concluding by referring to that part—the question now is where do we go from here, what we should do about it—which

says that whatever has been generated and transformed into black wealth, the answer would be—this is against the comment of the report itself—no further scops should be provided to them. They recommended that these people should be asked to spend the money, spend the wealth, on some social service schemes. This has been tried elsewhere. This has succeeded elsewhere. But this goes against the report of the Committee itself which says that if you go on issuing bearer bonds, if you go on giving concessions, that ceases to act as a deterrent for generation of fresh black money. Yet, the Committee recommends it. Again, the question is, where do we go from here? One answer, perhaps, is, with which the hon. Finance Minister would be unable to agree I know because his answer is, he takes the stand for a mixed economy while I stand for a non-mixed economy, imposition of a tax on expenditure. Perhaps, I should clarify the point that there is no economy in the world which does not have a mixed economy, starting from the U.S.A., through the U.S.S.R. to China. But that is beside the point. I suggest here that the first thing which should be done is—this is done in the United States also; you cannot accuse me of giving a socialist proposal impose your intelligence and tax on expenditure. Have a comprehensive return system of, firstly, income, expenditure, wealth; estate duty is, of course, dead; a person is dead; the duty is dead. Have a comprehensive return, firstly, in the sense that you impose an expenditure tax. There are problems. There are complications. But if you are serious about the condition of the people of the country, if you are serious about the economic development and priorities, mentioned in the Plan document, then, take the trouble of introducing this. Secondly, have a comprehensive return in terms of both direct and indirect taxes; integrate the excise duty returns, sales-tax returns, direct tax returns and customs returns. You are taking us to the Twenty-first Century through the computers.

THE VICE-CHAIRMAN (SHRI CHIMANBHAI MEHTA): Please conclude.

SHRI NIRMAL CHATTERJEE: I am concluding. Just two or three more

points. Instead of, as the hon. Minister has proposed, introducing five hundred rupee notes, demonetise. What the Finance Minister, in his wisdom—perhaps, to help the people—is thinking of would, in fact, reinforce the holding of black wealth, if he introduces five hundred rupee currency notes. Fourthly, the biggest source which is not mentioned is the trade sector. I knew the Finance Minister will object to it in a routine manner, but I say, attack the wholesale trade, nationalise the wholesale trade. You should try to have much control much more canalisation, much more STC operation in your external trade. Under-invoicing or over-invoicing—these things are not mentioned. (*Interruptions*). It is mentioned, but no estimates are made. Then there is the question of secrecy of accounts, the amendments that you have introduced. It will surprise the House that even the European countries have suggested that the Swiss Bank secrecy should be eliminated. The Swiss Bank is the biggest store house of the world's black wealth. Do you want to be a junior partner to the Swiss Bank? Why don't you modify your laws? Why don't you open your account not only in the financial institutions but also in the industrial units?

The other point which has been mentioned here is about land. There is a provision in the Income-tax Act that if the valuation of the land is under-stated, that land can be taken over. For a year huge accumulation of receipts were there. We know it, we have criticised that in the PAC. Let you not demonetise in a year and in turn apply all your personnel on checking up those land transaction receipts. You will come to know all about the under-sold land transactions. If you do not have the courage, do not demonetise but employ your total administration on scrutinising these receipts. You will see how the land values are falling, you will see how much black income you are able to confiscate. Further I suggest...

THE VICE-CHAIRMAN (SHRI CHIMANBHAI MEHTA): Mr. Nirmal Kumar Chatterjee, you are allotted ten minutes but you have already taken 29 minutes.

SHRI NIRMAL CHATTERJEE: Let me first correct you that I am not Nirmal Kumar Chatterjee. Now let me conclude.

AN HON. MEMBER: Every time he says like that.

SHRI NIRMAL CHATTERJEE: I do not say, I begin. I say that I will conclude.

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH): I was asking the Chair whether you are drawing up black time of others.

SHRI NIRMAL CHATTERJEE: Well, you are absolutely right. The time that the ruling party will consume may be referred to as black time.

We have heard the Finance Minister and I entirely agree with the approach in tax laws suggested by him because of the court cases. I do not know exactly the legal term. It is *act of reus* in place of *mens rea*, something like that. (*Interruptions*). This is one field where he knows much more. So, I entirely agree with that.

Finally, with the deterrent part we all agree.

SHRI N. K. P. SALVE: It is *actus reus* in place of *mens rea*.

SHRI NIRMAL CHATTERJEE: That is correct.

Now you have provided that all companies can legally donate to the political parties. Therefore, political parties will no longer receive black money. I do not believe this. Now what will happen is, they will receive Rs. one crore in legal terms and another Rs. 5 crores in black money term. What will they do? (*Interruptions*).

SHRI N. K. P. SALVE: That is in Bengal.

SHRI NIRMAL CHATTERJEE: Even in Bengal that is not possible for me. Even if I want I will not get because they know who you are.

In conclusion, I want to say, do not make further concessions to the rich. Previously, you have said that you are tough on tax rates and soft on implementation. Today you want to be soft on tax rates

[Shri Nirma! Chatterjee]

and tough on implementation. May I invite you to be tough both on rates and on implementation? If you do that, all our cooperation for you.

Thank you.

SHRI DEBA PRASAD RAY (West Bengal): Mr. Vice-Chairman, Sir, I would like to express my profound gratitude for giving me the opportunity of participating in this discussion on a very sensitive phenomenon that has been the subject of discussion in our country for ages. I would also like to express my congratulations to the Finance Minister for making necessary efforts to ensure that purity is restored in the economic life. I would like to ask my friends to recall that with the introduction of the Anti-Defection Bill, an effort has been made to purify the political life of the country. As you would all agree, the purity in political life is fully preserved when the purity in economic life is also restored. With the valient efforts that he has been making, I hope purity would be restored in the political as well as economic life of our country.

The concept of black money is required to be discussed. The money which is not accounted for, the money which is hidden, which is not disclosed otherwise is called black money. And the conspicuous areas where black money plays a very major role are—the film industry, smuggling, black market and real estate business. The film industry is a kind of industry where the film is produced in the darkness, the payment is made in the darkness, the film is screened in the darkness; only the spectators are made to pay in white. That is one area where black money plays a very important role, a very major role. In smuggling, crores of rupees are being carried by those who indulge in it and that leads to still higher generation of black money in the country. We also know that the real estate transactions have become a very sensitive area to utilize the black money today. But I can tell you that there are areas witnessed in our daily life where black money has a role to play. As we know, if we go for a movie and if the ticket is not available at the

counter, we do not mind buying it by paying extra and thereby we pay in black. When we are in need of a taxi and the taxiwalla is not prepared to go, we come to an agreement with him to pay him extra and thereby pay in black. When we are not prepared to take the trouble of going to the railway counter to buy tickets with reservation, we do not mind paying extra to the TTE to get reservation on the spot and thereby we make payment in black. So black money definitely plays a role in daily life, in the day-to-day activities of our life also. And the victims of black money in daily life are those who are called hawkers who are made to pay extra money to the Inspectors of the NDMC to put up shops on the roadside victims are those who are small transporters who are made to pay extra to a police constable to be able to travel through the areas where they are not otherwise able to reach, and the victims are those who are not socially acceptable, the boot-leggers, who are made to pay extra money to those who are the representatives of the Excise Department. They are the victims. Who also are the victims? These small contractors who have to pay extra money to get a bill cleared from the office, the suppliers who have to pay a cut to get their bills cleared where they have supplied the material. And the area where we have seen the role of black and white money together is when some payment is made of a certain valuable thing. The real price is something and the official price is shown as something else. There the payment is in black and white is always made simultaneously.

Again, Sir, the money which is considered to be black can also be converted into white and white can also be converted into black. The black becomes white and the white becomes black and at times the currency travels through black and white areas and ultimately lands up in either of the two places. I would like to give one example. If a constable takes five rupees from a hawker and pays five rupees to a bootlegger to take a bottle of liquor and if the bootlegger buys

a book from a book-stall for the use of his kid, then black money becomes ultimately white. So, this is the labyrinth of black and white and white and black that is being witnessed in our daily life. But I would like to say that the factors that are responsible for generating black money in our country are, as I have mentioned, smuggling, black market, corruption, particularly corruption at the level of bureaucracy which is called bureaucratic misconduct, and also tax evasion.

I do not want to make a very statistics-oriented speech but I would like to just reproduce here the observation made from time to time—the quantum of black money that has been generated in our country and which has ultimately led to give birth to the parallel economy, the parallel economy which has affected the development process, which has affected the planned economy and which has affected the targets of the Government from time to time. So, I would like to quote from the record the quantum of black money as has been stated. In 1953-54 it was Rs. 600 crores, 1961-62—Rs. 700 crores, 1965-66 — Rs. 1,000 crores, 1968-69 — Rs. 1,400 crores, 1969-70 — Rs. 3,080 crores, 1975-76— Rs. 11,870 crores, 1980-81 — Rs. 23,678 crores, 1983-84 Rs. 36,786 crores. So, if the volume of the black money is so huge, you can jolly well imagine how heinous a role it is playing to curb and jeopardize the planned economy of our country. Attempts have also been made earlier to contain this phenomenon, and although this has been a subject of discussion in recent days, the trend of tax evasion was witnessed in our country as far back as the 1940's and that is why, first the Ayer Committee was appointed in 1936 to review the income tax system. In 1947 the Income Tax Investigation Commission was appointed to investigate individual cases of tax evasion. In 1953-54 the Taxation Enquiry Commission was appointed to find out which were the factors responsible for tax evasion. In 1956 Nicholas Kaldor was invited to make a special

study of the situation and find out why tax evasion takes place in our country. In 1958 the Direct Taxes Administration Enquiry Committee was also appointed to find out the reasons for this phenomenon (*Time-bell rings*) Sir, I have done a little home work. Kindly allow me to speak.

THE VICE-CHAIRMAN (SHRI CHIMANBHAI MEHTA): To all Members I would once again say and request them that this discussion is a very provocative and interesting discussion but this is a short duration discussion and, therefore, please limit yourselves.

SHRI DEBA PRASAD RAY: Sir, my humble submission to you is to please allow me to make my submission. If you don't permit, I can't help. I seldom speak on the floor.

In 1968 the Committee of Departmental Officers was constituted to find out about this problem. In 1971 the famous Wanchoo Committee was appointed and in 1985 this National Institute of Public Finance and Policy submitted its report. If we go through the recommendations made by all these Committees and Commissions from time to time you can see it. Sir, I just want to request you kindly to give me time to reproduce the recommendations made by all these Committees and Commissions from time to time which include reduction of tax rates, minimization of controls and licences, regularization of donations to political parties, creating confidence among small tax payers, checking undervaluation of immovable properties, stoppage of *pugree* system, denial of credit facilities to tax evaders, tightening of vigilance machinery, arousing social conscience against tax evasion, voluntary disclosure schemes, Special Bearer Bonds, etc., etc. I would like to tell that there are reasons for us to feel happy because in the current years budget, efforts have been made to accommodate the recom-

[Shri Deba Prasad Ray]

mentations of the different Committees that had been made from time to time. I take this opportunity to congratulate the Finance Minister who has actually initiated introduction of the Economic Intelligence Bureau to contain this phenomenon, who has taken the initiative in forming Special Courts to avoid litigation in the matter of trying the tax evaders who has taken the initiative in undertaking the Operation Ketu in unearthing the huge black money lying in different parts of the country. I would like to tell him that he may be having reason to feel demoralised because his effort is also being criticised today by the vested interests, his effort is being criticised by some big newspapers belonging to big houses. But I would like to tell him that the experience shows that this has always been in the past. In 1974 November, when the smugglers were arrested, 19 smugglers were apprehended, and black money was recovered, the Government was criticised. The Government was being criticised on the point that democracy was jeopardised. Whose democracy was jeopardised? The democracy of Haji Mastan, Sukur Narain Bakhia, Yusuf Patel was jeopardised. It is not the democracy of the landless peasants which was jeopardised. It is not the democracy of the sharecropper which was jeopardised. But the democracy was jeopardised then in the eyes of the vested interests. So, today I would like to tell him that he should stick to the commitment that has been made to the people. When I talk of the people, I do not mean that segment of the people who are called the traders community. When I talk of the people, I do not mean the segment of the population which is called the capitalist in our country. When I talk of the people, I do not mean that segment of our population which is called the landlords and big landholders. When I talk of the people, I mean that section of the people who are called the weaker sections, who are called the landless peasants, who are called the poor people, who are called the industrial workers because these

people are actually forming the constituency for your party. These people are providing political support to your organisation. So, you have got your commitment to that. You stick to the policy that you have undertaken, you stick to the effort that you have already made.

On this occasion, I would like to make a few suggestions before the hon. Finance Minister, through you, to take care of certain areas while dealing with the evil phenomenon in our country. May I also request him to take care that demonetisation which really helps to contain the black money, can also be taken into consideration? May I request him also to create a real estates corporation under the auspices of the public sector so that the transactions of the black money in the real estates is contained and taken care of? May I also request him to extend the public distribution system in the villages to contain the role of the unscrupulous traders who are actually making the poor people suffer and generating black money in the villages? May I also request him to take care of this factor that the morale of our countrymen is also enhanced so that we do not knowingly or unknowingly get into the phenomenon of black money either by way of paying or by way of taking it.

Now, I would like to conclude by saying, by mentioning, that this is for the first time in our country that a pragmatic effort is being made by our hon. Prime Minister, that a pragmatic attempt is being made by our hon. Prime Minister to control all the evils either in the social life or in the political life or in the economic life of our country in a very practical way. There is a question today. The question being asked by various forces today is which ideology we stick to, which ideology we adhere to, which ideology Mr. Rajiv Gandhi propagates.

I would like to say that yesterday our friend from the Communist Party (Marxist), while participating in the discussion on the textile policy, was saying that the

policy was going to give protection to the capitalists and monopoly houses. I believe that capitalist and monopoly houses took it to be the greatest joke of the year because in Bengal the monopoly houses and capitalists are having the most comfortable situation today. The Chief Minister is saying, "We cannot make West Bengal a desert. We have to live together with the capitalists and monopoly houses." Multinational corporations are being invited to put up industries, and they are talking of principles, they are talking of socialism, they are speaking against capitalism on the floor of this House. I am not saying that Mr. Rajiv Gandhi is not working and striving for establishing socialism. But the evils which are standing in the way of socialism are being eradicated by him. And that is why I appreciate the pragmatic approach that has been undertaken by him.

I always conclude with a poem, with a quotation, from Bengali books. Now also I would ask your permission to conclude my speech by quoting a few lines from Tagore.

To describe the role that is being played in the field of national politics, I would like to quote from Tagore's poem in Bengali which means that "I am waiting for the masses to be conveyed by that poet who has really identified himself with the poor peasants of the country—whose words are always backed by his activities—who has really developed a deep rapport with the grass root level."

I have proud privilege to claim that in Rajivji we have seen that poet I who has been writing poems of life of reality being in the national political arena.

With these words, I conclude. Thank you.

SHRI SANKAR PRASAD MITRA (West Bengal): Mr. Vice-Chairman, Sir, we are grateful to the Finance Minister for creating this opportunity to speak a few words on the existence of black economy in this country. I do not agree with my Marxist friends that the Report is an exercise in futility. It is a comprehensive

Report. It has rightly described black money by different names, namely, parallel economy, unaccounted economy, underground economy and unreported economy. The Wanchoo Committee which was presided over by Chief Justice Wanchoo of the Supreme Court had referred to it as a "cancerous growth in the country's economy which if not checked in time will surely lead to ruination." This is an 'income (we call black income) which is illegal; income which evades tax and an income which escapes increase in national income estimation. The Income-tax Act, however, is concerned with the second variety of black income, under salaries, business, house properties, etc. One of the definitions of black income as accepted, more or less, universally is that it is an aggregate of incomes which is taxable, but not reported to the tax authorities. It is well known that any falsification of accounts leads to evasion of more than one tax. It leads to evasion not only of income-tax but also wealth tax, municipal tax, sales tax, etc. That making and spending of black incomes have become quite pervasive in our country, is well known. That is why when prices of essential commodities go on increasing, the seller in the market has no difficulty in clearing his goods. I will give a very simple example. We Bengalis are known to be fish-eating people. The price of fish of almost all varieties are fairly high, much beyond the capacity of the middle class. But all types of fish are sold every day in the Calcutta market and the fish vendor does not suffer.

Then, Sir, I wish to draw the attention of the Honourable Finance Minister to an important point, that is, about cases of tax evasion. The cases of tax evasion are accumulating in High Courts and in the Supreme Court with the result that effective checks on black money are being seriously hampered. You are aware that there is a dichotomy, a rigid dichotomy between assessment proceedings and penalty proceedings due to the decision of the Supreme Court in Anwar Ali's case reported in 1976 Income Tax Reports at page 696. Various amendments to the

[Shri Shankar Prasad Mitra]

Income Tax Act have been made from time to time to shift the burden on the assessee. But, perhaps, the desired result has not yet been achieved as would appear from the judgement of the Gujarat High Court in S. P. Bhatia's case in 1977 (97 Income Tax Report at page 440) but the real difficulty the Finance Minister ought to know and I speak from my personal experience of disposal of tax cases - both income tax references and applications under Article 226 of the Constitution the real difficulty lies in the negligence of the department to tackle these evasion cases. The courts, generally, are sympathetic to Revenue, but affidavits-in-opposition, in cases of reopening of assessment, are not carefully drawn up. On numerous occasions, countless occasions, if I may say so, I had to examine the original files to come to my own conclusions. This problem of accumulation has to be solved and unless this problem of accumulation is effectively solved, I think, the question of black money would not be effectively tackled. That is why, I am suggesting to the Hon'ble the Finance Minister to change the procedure, if necessary by amending appropriate provisions of law. I know that the proceedings begin with the Income Tax Officer. From the Income Tax Officer, it goes to the Appellate Assistant Commissioner. From the Appellate Assistant Commissioner, it goes to the Appellate Tribunal. The Appellate Tribunal is the final authority on facts. But thereafter, questions of law are referred to High Courts and from High Courts, they go to Supreme Court. It is my humble submission to the Hon'ble the Finance Minister that he should do away with these references to High Courts and Supreme Court. He should try to set up an All India Tax Tribunal, consisting of persons, who are fit to be judges of the Supreme Court and from the Appellate Tribunal, these cases should go direct to the All India Tax Tribunal and the judgement of the Tax Tribunal shall be binding for all purposes and if necessary, the Constitution should be amended, to say

that, unless the Tax Tribunal certifies the case to be of substantial importance i.e. a substantial question of law has arisen concerning the general public, in other words a substantial question of law of general public importance, an appeal to the Supreme Court shall not lie. The power of the Supreme Court to grant special leave to appeal in such cases should be taken away from the Supreme Court. If this expeditious procedure is introduced, I have no doubt in my mind that a large amount of black money can be detected and can be brought within the purview of taxation. I do hope that this simplification of procedure that I am suggesting would receive the anxious consideration of the Hon'ble the Finance Minister. With these words, I thank you, Sir, for giving me this opportunity of addressing you today and taking part in this very important discussion on the existence of black economy in our country.

SHRI JAGESH DESAI (Maharashtra): Mr. Vice-Chairman, Sir, at the time of laying this Report on "Aspects of the Black Economy in India", the Finance Minister promised that he will throw it open for public discussion. I am very open for public discussion and I take this opportunity to say something on this Report. It is a very vast report of 600 pages. In the time allotted to me, it will not be possible for me to go into the details and all the aspects of this Report. But I should say that this Report has brought out, I would say, a White Paper—whether one may like the facts or not; or it may be only assumptions—on the aspects of black money, whether it may be in the tax laws, direct tax laws or indirect tax laws or excise or in other policies. The magnitude and dimensions of this black economy have eroded the whole of our economy. From legal economic activities—I am using the word "legal"—about Rs. 9,800 crores are generated as black money. Here smuggling and other illegal activities are not taken into account at all. This is from legal activities only. Then from the registration of immovable

properties, excluding cooperative housing society properties because they are not required to be registered, the amount of black money generated is about Rs. 3,664 crores. Then in the public sector if you take construction and machinery, even if the assumption is 15 per cent, it comes to Rs. 1000 crores every year. Similarly in the private sector also it comes to about Rs. 325 crores every year. As regards foreign trade, it comes to Rs. 23,000 crores whether by way of export import or by way of channelisation through official channel. And Rs. 7000 crores are generated, whether it is by way of export-import or by way of illegal channels, which means smuggling. These are the parameters of this activity. Here the purpose of discussing this Report is to suggest how we can fight this evil. Sir, I feel that the time has come when we have to attempt to fight corruption. Black money is generated through corruption and corruption at all levels. But fortunately now we have a Prime Minister who is committed, who has decided, to end this corruption. He wants to see that this evil of black money, which is eating away our society, is ended. This is a very good sign. We have a Finance Minister known for his integrity and honesty and known for his integrity and honesty and known for his dynamism. He can fight corruption with the help of all of us. Let us give him suggestions; Let us give our views to him so that he can end this menace of black money.

SHRI JASWANT SINGH (Rajasthan): आप भी यहाँ कीजिए ?

SHRI JAGESH DESAI: मैं वहीं करता हूँ

That is why I am coming to the subject I feel very strongly that a fear complex has to be generated among all those who are helping to evade or evading taxes, whether it is excise or customs or income-tax. There is no fear. How many prosecutions have been launched by the Income Tax Department? I was surprised to go through the figures. In 1982-83 out of a total assessment of 44,36,114 cases, scrutiny assessment was done in 11,36,870

cases. In how many of these scrutiny assessments penalties were levied? Only in 31,184 cases out of 11,36,870. Only 2.74 per cent. Only in 2.74 per cent of the scrutiny assessments penalties were levied. And what is the quantum of the concealed income in these 11,36,870 scrutiny assessments? Only Rs. 16.94 crores which comes on an average to Rs. 150 per assessment. This much amount you would have got even in the normal assessment because you will be making a disallowance here and there on account of conveyance or other miscellaneous things; if the income returned is, say, Rs. 30,000, you will in any case add a thousand or two. Therefore, my point is if in the scrutiny cases you could get at the rate of Rs. 150 per assessment, how much more, how many times more, would you have got otherwise if there had been an efficient and honest machinery, if the machinery had been tight.

As regards prosecutions, in 1980-81 only 200 prosecutions were launched; in 1981-82 only 390 prosecutions were launched. Out of 44-odd lakh cases, the number of prosecutions launched is a paltry 390. In 1982-83 there were 748 cases. What was the reason? In 1980-81 only 23 were convicted in 1981-82 29 were convicted and in 1982-83 23. How many were released? —released as not to be convicted? While 23 were convicted, 183 were let off; 29 were convicted and 31 released; in 1982-83 23 convicted and 66 released. What type of cases are put before the courts that only very few cases end in conviction and most of the cases are let off?

Then, I am very unhappy to note that in 1981-82 there were 4166 searches. In 1982-83 there were 7860 searches and the number of assesseees involved was 2261. In 1982-83 there were 413 5 cases of searches and seizures. And no concealed wealth was found in 1466 cases. That means, of all the raids and seizures, in 65 per cent of them there was no concealment in 1981-82; in 1982-83 in 60 per cent

[Shri Jagesh Desai]

of the cases there was no concealment. What does this mean? Either there is something wrong or there is collusion between the industry and the department or these are made only for the purpose statistics that they have conducted so many searches and seizures or for some business or for getting something from the asses-sees. How else can one explain this phenomenon? And then, what were the penalties levied? In all these searches and seizures penalties were levied only in 134 cases. I think wherever concealment has been seen in the searches and seizures, there should have been penalties levied in those cases. I am sorry to say that out of about 8000 cases only in 134 cases penalties were levied and in 1982-83 it was worse penalties were levied only in 120 cases in 1982-83. The total quantum of penalties was 1.73 in 1981-82. And, Sir, in 1981-82, it was only 3.45 per cent. That means the penalty was levied only in 3.45 per cent of cases in 1981-82 and only in eight per cent of cases in 1982-83. This is how this Department is working. Only if a fear complex is there and only when the people think that they will be caught for concealment of income and punishment would be awarded after prosecution, they will behave. Only when you launch prosecution against certain big persons, they will behave and only then you will see that the results are there. But if you do it in this manner, I do not think that you will be able to round up people and meet the situation.

Now, as regard the Office of the Settlement Commissioner, I would like to say one thing. What is this Settlement Commissioner doing? After the raids and seizures take place and after my house is raided and after my property is seized, I have to go to him, I go before the Settlement Commissioner and then no penalty is levied on me. After you are caught you go to the Settlement Commissioner, you plead your case and you divide your incomes between some

Black Economy in India' to aspects of the

years and no penalty is levied on you. So, I would say that the Office of the Settlement Commissioner should be abolished. Let the work be done by the Department. If honest people are not in the Department, have honest people. But, if you want to have the Settlement Commissioner, then you must see that only those cases where raids and seizures have not been conducted are given to him and not those cases where raids and seizures have been conducted.

Sir, I will not take much time because I know that the time is very much less. But I would now like to give my own views regarding the suggestions made in this Report.

As far as demonetisation is concerned, I think it will not do any good because we have seen that in 1948, out of about 150 crores of rupees, only nine crores were detected. The same thing happened in 1956. Then, with regard to the Voluntary Disclosure Scheme, the results are not good.

There is another suggestion. They can invest their money for certain good purposes like housing, etc. and they can invest in debentures. The Government will be floating debentures and the Government would contribute about a hundred crores and the subscribers to the debentures will not be asked as to where they got this money from. The period of the debentures may be seven to ten years and the rate of interest will be 8 per cent. This only means that you are encouraging again generation of black money. The purpose may be good. But if you want that they should not pay any tax on that and, in addition, you will be paying 8 per cent interest on debentures, then Sir, I do not think that this sort of a scheme should be accepted by the Department because this will go completely against the whole nation and this will again generate black money and will again encourage black money generation.

Then, Sir, the second scheme is relating to the black money assets like

shares, debentures, fixed deposits, real estate, etc. They have suggested something as to how much they have to pay in the year in which they declare these assets. Suppose I declare my fixed deposits to the tune of 20 lakhs of rupees and the interest on that will be Rs. 2,40,000 at the rate of 12 per cent. It means that I have to pay only Rs. 1,20,000 by way of Income-Tax and I am sure that out of about twenty lakhs of rupees, I have to give only Rs. 1,20,000. It means less than what should be paid and the rate of taxation will not be more than 8 per cent. Now, if you want to give this sort of facilities to those who have cheated the Government, to those who have cheated the people, I do not think that anybody will have any confidence in the Government machinery or in the Government itself. And that is why I think that the suggestion that has been given is not worth considering, and I think it will do more harm than any kind of advantage.

As regards corruption in the Income-tax Department, even refunds are given after cuts. If there is a salaried employee and he has paid more tax, and if he has to take a refund, even at that time also a 10 per cent cut is made by the Department Inspectors and others. We have to see that ends. How? It is very simple. When an assessment order has been passed, along with the order, if it has resulted in refund, refund order should be attached with the order. If refund order is not attached, that order itself should be considered as not valid. *(Time bell rings)*

So many suggestions are there, I will give in writing to the Finance Minister. If the time allotted is over, I will give in writing.

With these words, again I emphasize that this Report is very important. I would like that the Department should scrutinize the report. So far as penalties are concerned, the onus has to be on the assessee. Now

it is on the Department. It should be on the assessee. He has concealed the income. He has to prove that he has not concealed anything. At present the onus is on the Department. As such most of the orders are cancelled and Government loses that income. And secondly, they again are emboldened to go on amassing black money.

With these words I, would again like the Minister to look into the whole aspects personally, as also the suggestions given, and a committee should be appointed which should go into it and give their recommendations, and with these recommendations you must plug all the loopholes and gear up this machinery.

With these words, I thank you for giving me this opportunity.

[The Vice-Chairman Dr. Shrinati Sarojini Mahishi, in the Chair]

SHRI JASWANT SINGH: Madam Vice-Chairman, this is a very important discussion which we are having. My difficulty is to say what I have to say in six minutes which is the time that I have at my disposal. I have to admit to two more difficulties. The time that was available to me from the receipt of this report a courtesy for which I am grateful to the hon. Minister of Finance was not through was not sufficient for me to go through the entire report, and therefore I am not going to be able to comment knowingly on the entire report. That I do not think is a very important aspect because it does not need any report to establish the presence in India of unaccounted, black, or whatever phraseology you choose, money. It is like maternity an established fact, unlike paternity, not questionable or open to discussion. The other difficulty that I am faced with, and I must agree with my friend from the treasury benches who spoke earlier is that the presence of this money is a fact of life. It is a part of the existence of all of us. I have handled what is called blackmoney, and I would be extremely surprised if amongst the hon. Members that now sit in this House or in the other House some could say, 'I have never touched a single rupee of unaccounted money'. That

[Shri Jaswant Singh]

being the situation in which we are discussing this matter, the single most important aspect, to my mind, of the presence of black, unaccounted or whatever money you like to call it, is firstly its **social acceptability**. This manifestation in the Indian economic field is now socially so acceptable that it is treated as the norm and there is, in fact, no moral, ethical or any other kind of stricture imposed by society upon its manifestation so as to restrict its growth and to prevent it from making deeper inroads into our society. I make this point and I appeal to the hon. Finance Minister to reflect upon it because governance is essentially by consent.

A number of speakers on the Treasury Benches have spoken of the efficacy of the element of fear. I would like to caution them on over-exercising this aspect of the efficacy of fear. Government or governance is essentially dependent on consent and that consent has to be integrated to social fabric to enable governments to reform, to move forward or to be able to impose the strength of their ideas on society. Therefore, when we talk about the prevalence of this evil and the prevalence of this difficulty within our society, we must recognise that the Government is a part of that acceptance and the Government itself has also accepted the existence of this malady in the Indian economic scene. Since the Government has accepted it, it has contributed to its overall social acceptance. Therefore, in order to strike at the root of the prevalence of unaccounted money, we have to move towards removing this acceptability and making it socially unacceptable. To make it socially unacceptable, it is the Government which has to set an example. It is the question of the Government not only actually doing it, but to be positively, palpably seeming to be doing it.

SHRI KALPNATH RAI: In a mixed economy.

SHRI JASWANT SINGH: In a mixed economy, without any doubt. I am not going into this aspect. There has been a discussion on it already. It would spill over

into the discussion of the economic philosophy of the Government and tax reforms. Rather than boring the hon. Finance Minister about things which he must have heard endlessly from other Members, I have tried to say things which others have not said. Since the Government itself has accepted it, a larger social acceptability has been given to this malady. Because of this acceptability, the importance of Government's example becomes more important because only in India we have an aphorism "Yatha Raja, Tatha Praja". I will not elaborate on this point because the time available to me is extremely limited.

The very first suggestion of this kind, of setting an example, really begins with electoral reforms. I hold that the single greatest contributor to the pervasion of a corrupt atmosphere, not just to the incidence of corruption, but to the pervasion of corrupt atmosphere is an ineffective, slanted and non-representative electoral system. Therefore, unless the Government moves purposefully towards its own commitment to a reform of electoral system, we will not be going towards a reduction of the social acceptability of unaccounted money. We in governance—by governance I do not make a separation between the Treasury Benches or those of us who sit on your left, Madam—cannot take a moral attitude or an attitude or posture of moral attitude-inising against unaccounted money because we are the product of it. We are the product of it because the electoral system is so shaped, is today so functioning that none of us can reach where we have reached if our hands are not tainted by that unaccounted, black or whatever the word for that money you like to say. The beginning has to be electoral reform. If we sit here in this House or in the other House and we say that it is a social evil and we adopt moral attitudes we may adopt those attitudes but our attitudes would be hollow, would be unconvincing because they would be lacking in moral justification, we would be lacking in essential moral strength of government, State or what we try and represent. The first suggestion, therefore, Madam, I have to make is this. It is not outside the ambit of the Leader of the House. He is a senior member of the Cabinet. His Cabinet has committed itself

to electoral reforms. And I do suggest with all seriousness that this is one of the single greatest acts of self-abnegation that we as holders of public office, high public office—not, perhaps, the office in the sense in which the hon. Finance Minister holds it, but an office of trust or confidence of electoral office—could demonstrate. This would be the single greatest step that we opt to reform or to reduce social acceptability, we are going to strike at the root of it, and one of the roots of it is the electoral reforms.

I will proceed further. My second recommendation to the hon. Finance Minister would be that, I think, three things have to be done. And some of this has already been repeated. So I shall not labour over it too long. It is about control over public expenditure, controls as such, and corruption. About controls as such, a lot of Members have already spoken and I shall not labour over the point. About control over public expenditure, Madam, I submit that high public expenditure, inefficient systems of management and the all-pervasive climate that we live in result in the creation of firstly corruption, and as the lubricant of corruption, the requirement for unaccounted money, whether it is octroi or it is the CPWD or the MES... (time bell rings) I have taken note of it. In Rajasthan, for corruption we have a phrase and it is a currently used phrase. Now, people do not even say—The phrase is 'suvidhi sulk'.

टैबल के नीचे कितना मिलेगा ।

SHRI GHULAM RASOOL MATTO (Jammu and Kashmir): Meaning?

SHRI JASWANT SINGH: Convenience fee.

मैं जयपुर का रहने वाला नहीं हूँ । लेकिन राजस्थान में घस शब्द का प्रयोग सीधे कोई नहीं करता । लोग खुले रूप में कहते हैं कि कितना सुविधा शुल्क हमको मिलेगा । कोई भी काम कराना हो तो लोग मोचने हैं कि सुविधा शुल्क कितना देना पड़ेगा ।

श्री रजनी रंजन माहू (बिहार) : जितना बड़ा काम होता है उतना ही सुविधा शुल्क भी बढ़ जाता है ।

श्री जसवंत सिंह : इस वक्त मैं सुविधा शुल्क की चर्चा में नहीं जाना चाहता हूँ ।

But let me leave the aspect of corruption by suggesting that the social acceptability has become such that now we have a phrase for it in Rajasthan. We call it 'suvidha sulk'.

आराम से लोग लेने हैं । खुले आम माग की जाती है कि इतना सुविधा शुल्क दीजिये । जितना सुविधा शुल्क दीजिये उतना काम कराइये ।

I would suggest that the Minister consider this aspect. I think, I have to mention my next point which is reform of indirect taxes. I have had an occasion to mention this earlier to the hon. Minister that we welcome some of the steps that have been taken since he presented his Budget. I find just one fault with it, which is a conceptual fault. And that conceptual fault, I had an occasion to mention earlier. Instead of going for the reform of direct taxes, liberalisation, and keeping indirect taxes aside, had he reversed the process, had he reformed indirect taxes first, then on to direct taxes and then liberalisation, perhaps the criticism that he is facing with new or some of the patent difficulties that he is confronted with now, he would not have faced.

This is not the occasion for me to go in for an elaboration of all this.

Madam, under direct taxes a lot of Members have spoken. I wish to make two points. I do not subscribe to the efficacy of fear which is a point that I have had the occasion to mention earlier. I do not rule it out. In India, as you know, the requirement of governance, is *araz iqbal and izzat*. Now, in governance a government's action must have *iqbal*.

इस सरकार का इकबाल मर गया वह स्थिति नहीं आनी चाहिए ।

THE VICE-CHAIRMAN [DR. (SHRI-MATI) SAROJINI MAHISHI]: I request the hon. Member to conclude now.

SHRI JASWANT SINGH: I will conclude in a minute. Therefore, please make a distinction between fear and iqbal. If the citizen loses his right of izzat, if the citizen is unable to approach the Government for araz, araz is not the same as a petition. We have become, because of the British, perhaps a nation of araz navees or petition-writers. But do not reduce the aspect of fear in to such narrow channels. Please look at the honest tax-payers and how he is harassed because of the over-subscription to petty bureaucratic fear-making

The second point is about the capital gains. The sale of real estate is contributory towards the generation of unaccounted money. Capital gains, the hon. Minister, left untouched, I sometimes wonder at it.

Next about smuggling. A number of Members have spoken on it, I do not wish to labour on it. I just want to make one suggestion. Do not treat every Indian, as the customs officials do, as a criminal. Do not bring a petty magisterial attitude to try and capture one extra bottle of whisky which a citizen may be attempting to bring in. Think in terms of the gold or bullion that is being smuggled, and, now increasingly narcotics. (*Time bell rings*)

I have to conclude Madam. I have to defer to your requirements. My suggestions cannot be exhaustive, that is patent. I would compliment the hon. Finance Minister for giving us this opportunity, even if the time is limited...

THE VICE-CHAIRMAN [DR. (SHRI-MATI) SAROJINI MAHISHI]: You will have many more opportunities to speak.

SHRI JASWANT SINGH: But not on this subject.

Finally, Madam, I would like to say that a treatment of this aspect of unaccounted black money cannot be in isolation. It is not a compartmental concern. I would appeal to the hon. Finance Minister to treat it as a holistic concern. It is an overall concern which is a part of the entire national ethos and if you wish to remove this particular aspect of national life, which is now

malignant, which has turned ill, you have to treat the whole. Thank you very much.

THE VICE-CHAIRMAN [DR. (SHRI-MATI) SAROJINI MAHISHI]: Shri N. K. Bhatt—Absent. Yes, Shri Indradeep Sinha.

SHRI INDRADEEP SINHA (Bihar): Madam Vice-Chairman, I am sorry I have been called upon to speak on a report of six hundred pages in six minutes time and that is something which I am not capable of. So, I will refer only to some broad points. This Report is not the proverbial mouse dug out of a mountain. After digging a mountain what has been produced is a vicious object, not an innocent creature like a mouse, but a very vicious creature, because it advocates a philosophy which will lead the country backwards. Now before coming to that philosophy I will just mention some of the limitations of this study. As Confessed by the authors, Dr. Rajachellaiah himself admits that the estimates of black income are not scientific and the criteria adopted for estimating black income, are not rigorous.

5-00 P. M.

The estimates are just guesses. And Dr. Chellaiah himself admits that because of wide differences in the estimates, this committee has adopted the approach of having a minimum estimate. So, the estimate that has been given in this report should be taken as being on the lower side, rather on the lowest side. This estimate of black income at 20 to 21 per cent of the Gross Domestic Product is on the lower side; real black income is probably much. This is what the authors of the report themselves admit.

Secondly, I would like to mention that the authors of the report have exceeded their terms of reference and made certain policy recommendations which they were not called upon to make. The hon. Finance Minister may kindly look at the terms of reference at page 1 of the report.

THE VICE-CHAIRMAN [DR. (SHRI-MATI) SAROJINI MAHISHI]: Time allotted to the hon. Member is only five minutes.

SHRI INDRADEEP SINHA : So another minute is cut. Let me proceed as much as I can.

Now, none of the six clauses in the terms of reference includes any recommendation about the policy to be pursued. The Government did not refer that matter to the Commission and yet they have come out with a package of recommendations. What is the philosophy of the package? The philosophy of the package is the same as the philosophy of its diagnosis. Why is there the black money? It is there because there is taxation, because there are controls, because there is a plan, because there is a public expenditure. The remedy is you abolish the plan the taxes and the controls and black money will vanish. That is to say: You abolish the colour white, then the black becomes white. Such is the philosophy of this report. What is the remedy prescribed? The remedy prescribed is to reduce taxes. My friend, Jaswant Singh has advised the Finance Minister how he should have proceeded while reducing taxes. That would not have made any difference. If you reduce taxes, naturally you erode still further the income of the Government and the resource for the plan. I have no time to go into details, but the fact remains that our Government is already running on borrowed capital. The current revenues are not adequate to finance the current expenditure. So, we are mortgaging the future for running current administration. And these wise men now suggest : you cut down the taxes still further, on a supposition, on the basis of a hypothesis, which has not been proved anywhere in the world that lower taxes will lead to better tax compliance.

That has not happened in any country; that has not happened in India; it is not going to happen in future. So, if the taxes are cut, State income is reduced; naturally, public expenditure is also reduced and the plan is also curtailed. There is, therefore, a perfect free market economy, a free market economy of the 17th and 18th century, even though the conditions which led the economists of those days to advance such slogans have ceased to exist.

We are nearing the end of the Twentieth Century. But even now, there are people who, instead of looking forward, are looking backwards, going back to Adam Smith and other people of his time and they want to drag the country back to a philosophy of a free market economy.

What will happen in a free market economy? No Plan or a small Plan few taxes; no price control, therefore, there is no question of profiteering; every price is a legal price; every income is a legal income. This will aggravate the social inequality which is already quite big in our country. This will aggravate social tensions. This will not lead to the solution of any problem. Some time back the Prime Minister talked of taking the country to the Twenty-first Century. Out of seven hundred million people, ten, twenty or forty million will be able to cross into the Twenty-first Century. The remainder will, perhaps, be pushed back to the Nineteenth Century. But People will not tolerate it.

Therefore, what can be done? Now, I have certain suggestions which the hon. Finance Minister may not immediately accept, but over which the Government should deeply ponder. Now, this black economy is really a global phenomenon of the capitalist system. My friend, Mr. Nirmal Chatterjee, pointed out that there is more black income in the U.S.A. than what has been established in this report for India. There is black income in other capitalist countries as well.

THE VICE-CHAIRMAN [DR. (SHRI-MATI) SARAJINI MAHISHI] : Shall I request the hon. Member to conclude now?

SHRI INDRADEEP SINHA : I will take just one minute. I will not ask the Finance Minister to abolish the capitalist system. It is not possible for him to do. But I would suggest a very small thing. When Income-tax raids take place and concealed incomes are seized, take over that income as a contraband. Why impose a tax and hand over the rest to the same person to again indulge in black operations? Second, nationalise all the big monopoly houses, industries and business run by

SHRI INDRADEEP SINHA:

monopoly concerns, whether they are national or multi-national. Third, implement radical land reforms to remove one source of generation of black money; the source of rural rich, into which the report, unfortunately, has not gone; take over the wholesale trade in foodgrains and all other essential commodities to eliminate another source of generation of black money and, finally, democratise the administration, put your officers under popular democratic supervision, so that there is democratic control over the administration. Our speaking in Parliament is not enough. It is largely ceremonial. Our democracy is largely ceremonial. Let us have some real democracy. Let there be popular supervision and popular vigilance. If these measures are adopted, then, black money—I would not say it will be eradicated completely under capitalism—will be vastly reduced, and the health of the economy will definitely improve. If these measures are not adopted and the prescriptions which are put forward in this report are going to be adopted by the Government, then, I would only say that our country will be in for bad days, thank you.

श्री नन्द किशोर मट्ट (मध्य प्रदेश) :
उपसभा अध्यक्ष महोदया, मैं आपका आभारी हूँ कि आपने मुझे इस महत्वपूर्ण विषय पर दो शब्द कहने का अवसर दिया। मैं माननीय वित्त मंत्री जी को धन्यवाद देना चाहता हूँ, बढ़ाई देना चाहता हूँ कि उन्होंने बड़े साहस के साथ इस बाले धन की बीमारी को समाप्त करने का संकल्प किया है। हमारे देश के सभी लोगों को उनके प्रति शुभकामनाएँ हैं और हम उनको पूरा आश्वासन देने हैं कि इस पवित्र कार्य के लिए उनको जगत का पूरा-पूरा सहयोग मिलेगा।

उपसभाध्यक्ष महोदया, मैं ज्यादा विस्तार में नहीं जाना चाहता क्योंकि मेरे से पूर्व वक्ता बहुत सी बातें बोल चुके हैं और उन्हें मैं दोहराना नहीं चाहता। मैं मुझाब के रूप में माननीय वित्त मंत्री महोदय के सामने कुछ बातें रखना चाहता हूँ। दुर्भाग्य से हमारी सामाजिक परम्परा

भी ऐसी रही है कि अगर कुछ काम आ जाता है, तो सी रुपये का प्रसाद चढ़ा कर काम कराना चाहते हैं। भगवान तक को नहीं छोड़ते हैं रुपये देकर काम कराना चाहते हैं या किसी मस्जिद में चादर चढ़ाकर काम कराना चाहते हैं। कहने का मतलब यह है कि हर आदमी शार्ट-कट निवालाकर काम कराना चाहता है। फिर वह भगवान ही क्यों न हो मनुष्य की तो बात ही क्या है। यह संसार ही समने आ रहे हैं, इनको दूर जाना चाहिए। सबसे पहले जो चीज हमारे सामने आती है, तो वह नौकरशाही है। इसने किस तरह से भ्रष्टाचार को प्रोत्साहन दिया है, उसकी तरफ मैं आपका ध्यान दिलाना चाहता हूँ कि चाहे दान्य हो, चाहे सिंचाई की योजना हो, सड़क का काम हो, पुल का काम हो, जो भी काम हो, जो भी काम होता है, तो उसके काम के मुकामले में अधिक पैसेंट करता है। अगर भी रुपये का पैसेंट होता है। तो उसमें से मुश्किल से 10/- रुपये का काम होता है और 90/- रुपये बंट जाते हैं ऊपर से नीचे तक बर्माचारियों में, ठेकेदारों में। यह कैसे बंट जाते हैं, इसको आप अच्छी तरह से जानते हैं। इसलिए मेरा संतो महोदय को गुझाव है कि जो भी काम हो, उसके लिए समय-बद्ध कार्यक्रम होना चाहिए। जैसे अगर सड़क बनाने का काम है या पुल बनाने का काम है, तो जो भी निश्चित अवधि हो, उस अवधि में बनना चाहिए और इस बात को भी निश्चित करना चाहिए कि उसमें अगर जरा भी खराबी आ जाती है तो बनाने वाले को न केवल एव पैसा भी नहीं दिया जाए बल्कि इसके लिए दण्डित किया जाए। इसमें जितने ठेकेदार होते हैं और नीचे से लेकर ऊपर तक जो लोग होते हैं, आपस में पैसे का बंटवारा करते हैं, जो कि हम आप सभी अच्छी तरह से जानते हैं।

उपसभाध्यक्ष महोदया, अगर आज कोई सबसे ज्यादा परेशान है, तो वह बेतन भोगी है, चाहे वह नौकरी-पेशवाला हो, चाहे अध्यापक हो या साधारण कर्मचारी हो या जिनको गिनी चुनी तनखा मिलती

है, वह सबसे ज्यादा परेशान है। इसलिए टेक्सेशन के क्या इन्कम टैक्स के जितने भी मामले हों, वहाँ बड़े लोगों को परेशान नहीं किया जाता है बल्कि 19 हजार, 20 हजार, 22 हजार जिनकी इन्कम है, उनको परेशान किया जाता है और परेशान करने के साथ-साथ कई बार उनको बड़ी मुश्किलों का सामना करना पड़ता है। लेकिन जो बड़े-बड़े पैसे वाले हैं वह अपना काम प्रोब्लम व लालच से डरा धमकाकर जबरदस्ती से कराते हैं। मेरा निवेदन है कि इन्कम टैक्स को समाप्त कर दें, जिस तरह से भी हो, चाहे आप पैसे के लिए और कोई तरीका निकालें, जिसके लिए जहाँ आप डायरेक्ट टैक्स लगा सकते हैं, वहाँ डायरेक्ट टैक्स लगाएं। अगर आप इन्कम-टैक्स को एवोल्यूशन कर देंगे तो देश के सर्व-साधारण आदमी को राहत मिलेगी और बड़े लोगों से जैसे टैक्स लिया जाता है, उसके लिए जो किया जाना है, वह कीजिए।

हमारी प्राइस मिचुएशन कुछ ऐसी हो गई है कि कीमतों पर रोक नहीं है। आप बाजार जाइए, कोई चीज है, वह एक दुकान पर बीस रुपये में मिलती और दूसरी जगह उसके 50/- रुपये लेते हैं, कोई पूछने वाला नहीं है। मैं चाहूंगा कि आप केलकुलेटिंग-मशीन हर दुकान के लिए अनिवार्य करें हर चीज पर उसकी प्राइस लिखी होनी चाहिए। इससे लोगों को लूटने का दुकानदार को मौका न मिले। आज कहीं भी जाइए उपभोक्ता की चोइस नहीं है। दुकान वाला कहता है—आपकी गर्ज है, तो लीजिए, नहीं तो न लीजिए। बाजार में जो वस्तुएं हों और उन पर प्राइस-टैग लगना चाहिए। कीमतों का एक निश्चित सिस्टम होना चाहिए और केलकुलेटिंग मशीन होनी चाहिए। यहाँ शाहजहाँ रोड़ पर एक चाट वाला है, आप जानते हैं वह आदमी दो हजार तीन हजार रुपये रोज कमाता है हमारे पास उसको पकड़ने का कोई तरीका नहीं है। अब वह तीन मकान चार मकान बनाएगा, पांच मकान बनाएगा

एक माननीय सदस्य : उसके यहाँ दो तीन बार रेड हुई है

श्री नन्द किशोर भट्ट : पर उसकी रोक का तरीका निकालना चाहिए। इसलिए हर दुकान के लिए, चाहे आपको केलकुलेटिंग मशीन सबसिडाइज करनी पड़े, जरूरी करें। अगर यह सब दुकानों पर हो जाए, तो बहुत हद तक कुछ रोक लग सकेगी।

महोदया, जितने भी पेमेण्ट होते हैं, चाहे वह दुकानदार के लिए पेमेण्ट हो या किसी और की पेमेण्ट हो, वह पेमेण्ट चेक से होनी चाहिए, एक हजार रुपये या उससे अधिक की जो भी पेमेण्ट हों, सब चेक से होनी चाहिए। कैश पेमेण्ट है, इससे गड़बड़ होती है। जो भी पेमेण्ट है, अगर वह चेक द्वारा रेगुलेराइज कर सकें, तो इससे भी बहुत हद तक भ्रष्टाचार और कालेधन की वृद्धि पर रोक लग सकेगी। इसलिए एक हजार रुपये से अधिक का ट्रांजेक्शन चेक से होना चाहिए, कैश नहीं होना चाहिए।

जहाँ तक सेजरी देने की बात है, वह भी चेक से हो। इस से दो फायदे होंगे, लोगों की बैंकिंग की आदत बनेगी, दूसरे जो क्रेडिटल फायशन होगा वह देश के विकास में लग सकेगा और जो दिक्कत आती है वे भी दूर होंगी।

सब कोशिशों के बावजूद पब्लिक सेक्टर में बहुत से काम कान्ट्रैक्टरों के माध्यम से होते हैं। कान्ट्रैक्टर का काम इसी तरह से चलता है। हर काम के लिए दो-चार चक्कर लगाइए। काम समय में कर देना होगा तो लोगों को राहत मिलेगी और जो ट्रांजेक्शन चलते हैं लेन-देन के उन पर रोक लगेगी।

इसके साथ ही केलकुलेटिंग मशीन हर दुकान पर लगे—भले ही उनको सबसिडाइज करना पड़े—तो उसका बहुत अच्छा असर पड़ेगा।

यही मैंने कुछ मोटे-मोटे सुझाव अपनी बुद्धि के हिसाब से दिए हैं आशा है मंत्री महोदय उन पर विचार करेंगे।

श्री सत्य प्रकाश मालवीय (उत्तर प्रदेश)
 उपसभाध्यक्ष महोदय, इस रिपोर्ट पर
 राष्ट्रीय बहम चलाने के लिए मैं वित्त
 मंत्री जी को हृदय से धन्यवाद देना
 चाहता हूँ। काले धन वाले देश में समान्तर
 आर्थिक व्यवस्था ही नहीं चला रहे हैं वे
 एक समान्तर सरकार चला रहे हैं। जिस
 रिपोर्ट की चर्चा की गई वह जस्टिस वांचू
 ने, जो पहले इलाहाबाद हाई कोर्ट में जज
 थे और बाद में राजस्थान में मुख्य न्याया-
 धीश हो गए थे, दी थी 72 में। उन्होंने
 अपनी रिपोर्ट देने हुए कहा था कि काले
 धन ने देश को कैसर के रोंग की भांति
 प्रक्षिप्त कर लिया है और अगर उसका श्वाग्र
 ही इलाज नहीं किया गया तो देश
 की व्यवस्था नष्ट हो जाएगी। इस रिपोर्ट
 के हितान से 1975 में जो काला धन
 11870 करोड़ रुपये था वह 83-84 में
 बढ़कर 37000 करोड़ रुपये हो गया,
 यानी जैसेजैसे इलाज किया गया मर्ज
 बढ़ता गया। वित्त मंत्री जी ने काला धन
 समाप्त करने का संकल्प लिया है और
 इस अच्छे काम में हम सबकी शुभकामना
 उनके साथ है और हम सबका सहयोग
 भी उनके साथ है। श्री गुरुजारी लाल
 नन्दा इस देश के गृह मंत्री थे, उन्होंने
 संकल्प लिया था इस देश से भ्रष्टाचार
 खत्म करने का। भ्रष्टाचार तो खत्म नहीं
 कर पाए, भ्रष्टाचार तो बढ़ता गया, हाँ,
 नन्दा जी को जाना पड़ा। वित्त मंत्री जी
 जब उत्तर प्रदेश के मुख्य मंत्री थे तब
 इन्होंने संकल्प लिया था कि डकैतों का
 सफाया करेंगे। उस काम में लगे भी,
 लेकिन दुर्भाग्य था कि डकैतों का सफाया
 नहीं हो पाया और वित्त मंत्री जी मुख्य
 मंत्री थे तब अपने पद से उन्हें त्यागपत्र
 देना पड़ा। लेकिन मुझे पूरा विश्वास है
 कि हमारे वित्त मंत्री जी ने काले धन को
 समाप्त करने का जो संकल्प लिया है
 उसमें वे सफल होंगे क्योंकि सारा देश
 चाहता है कि काले धन की व्यवस्था
 समाप्त हो। इस रिपोर्ट के सिद्धान्त से
 जो अचल सम्पत्ति है उस सिलसिले में
 दिल्ली के लिए बतलाया गया है 82-83
 में 240 करोड़ रुपये के काले धन का
 आकलन किया गया है। इसी प्रकार से
 80-81 में चीनी उद्योग में, 122 करोड़

रुपये के काले धन का आकलन किया गया
 है जो बढ़ते-बढ़ते 84-85 में 180 करोड़
 रुपये का आकलन हो गया है। जो बड़े-
 बड़े प्रभावशाली राजनीतिज्ञ-नेता हैं, नौकर
 शाह हैं, ये काले धन वाले लोग देश को
 लूट रहे हैं और हमारे देश की आर्थिक
 व्यवस्था को चौपट कर रहे हैं। अगर
 किसी योजना में सौ रुपये लगता है तो
 मेरा ऐसा अनुभव और अनुमान है कि
 60 प्रतिशत उस योजना पर खर्च होता
 है और जिस आम आदमी के लिए
 योजना बनाई जाती है उसको उसका लाभ
 नहीं मिल पाता है। जो बोट की राज-
 नीति है उसके कारण काले धन वालों
 को संरक्षण मिल रहा है। मैं नाम नहीं
 लेना चाहता, एक बड़े भारी तस्कार ने कहा
 था आज से तीन साल पहले कि जो
 राजनीतिक दिन में संसद में, विधानमण्डल
 में काले धन की भर्त्सना करते हैं वे रात
 के अन्धेरे में हमारे पास हमारी कोठी
 में काले धन का हिस्सा लेने आते हैं।
 इसीलिये चुनाव आयोग ने इस बात के
 लिए सुझाव किया है कि चुनाव कानून में
 संशोधन किया जाए। चुनाव आयोग की
 ओर से सरकार के पास ऐसी संस्तुतियाँ
 आ गई हैं जिनमें एक सुझाव यह भी है
 कि जो भ्रष्टाचार प्रारंभ राजनीतिक दल हैं
 उनके उम्मीदवारों का खर्चा सरकार को
 वर्दाशत करना चाहिए। मेरा सरकार
 से अनुरोध है कि जो पंजाब में चुनाव
 होने जा रहे हैं इनके भले जो चुनाव
 आयोग की संस्तुतियाँ हैं, उनकी निश्चित
 रूप में सरकार को स्वीकार कर लेना
 चाहिए और जो चुनाव आयोग अध्यक्ष
 श्री आर.0 कै.0 त्रिवेदी जी ने संस्तुतियाँ
 दी हैं, जिसके लिए उनके पास आधार भी
 था, जो इसी रिपोर्ट के पृष्ठ 294 में
 दिया हुआ है। कांस्टीट्यूशन स्टडीज में
 उनका एक भाषण हुआ था और इसी
 सदन के भारतीय सदस्य श्री लाल कृष्ण
 आडवानी जी ने जो लेख इलस्ट्रेटेड वीकली
 आफ इंडिया में लिखा है, उसमें त्रिवेदी
 जी का भाषण कोट किया गया है—

"This malady, I am afraid, during the
 last decade, has assumed alarming pro-
 portions. The huge expenditures incurred

by candidates and political parties have no relationship to the ceiling prescribed under the law. The candidates and their political parties look to big money bags for their funds to contest elections, there by adopting a formula which establishes the chances of winning in direct proportion to the money spent. That in course of time this triggers chain reaction leading to corruption at various decision-making levels, does not seem to bother them. Similar views are expressed by Union Cabinet Minister Sathe in his recent book."

इसलिए मेरा मुझाव यह है कि तुरन्त चुनाव कानून में इस बात को संशोधन जरूर करिये, बाकी के संशोधन चाहे आप बाद में करिए, कि जितने भी मान्यता प्राप्त राजनीतिक दल हैं उनके उम्मीदवार का चुनाव का खर्चा सरकार की ओर से किया जाएगा।

दूसरे, अभी प्रधान मंत्री जी ने कहा है कि भ्रष्टाचार तो है इस देश में, लेकिन भ्रष्टाचार नीचे अधिक है और ऊपर कम है। मेरा कहना है कि भ्रष्टाचार की गंगोत्री ऊपर से शुरू होती है और गंगोत्री से पानी नीचे गंगा में आता है। अगर प्रधान मंत्री जी का यह अनुमान है तो वह ठीक नहीं है। इस सिलसिले में जम्मू काश्मीर के जो भूतपूर्व गवर्नर हैं, श्री बी० के० नेहरू, व आर्द० सी० एस० थे, उन्होंने यह चर्चा की है कि हमारे देश की जो राजनीतिक व्यवस्था है और जो आर्थिक व्यवस्था है, इसमें ऊपर से नीचे तक भ्रष्टाचार है और इसमें बड़े-बड़े राजनीतिक, बड़े-बड़े अफसर और ऊपर से नीचे तक लोग सम्मिलित रहते हैं। उनका कहना है —

"Corruption is rampant in every sector of our society. A large number of politicians and ministers are corrupt, corrupt the public services, it has affected the middle ranks as well and is now ineffecting the apex of our administrative structure the All-India Services.' Nor does Nehru believe that this was always the case but rather that we have 'degenerated, in one single generation, from being an honest society into a dishonest one."

इसकी सारी जड़ इस देश की चुनाव व्यवस्था है। इसलिए उसमें तुरन्त संशोधन किया जाना चाहिए।

श्रीमन्, तीन और मुझाव ! देकर अपनी बात समाप्त करता हूँ। एक तो यह है कि व्यक्तिगत सम्पत्ति जो है वह भ्रष्टाचार और काले धन की व्यवस्था को बढ़ावा देता है। इसलिए मेरा मुझाव यह है कि जो व्यक्तिगत सम्पत्ति है, इसके उप सीलिंग लगाने चाहिए और सीलिंग के बाद प्राइवेट प्रापर्टी का कांसेप्ट को खत्म करना चाहिए, जितनी भी प्राइवेट प्रापर्टी हैं, उनको उसी तरीके से जब्त कर लिया जाना चाहिए जिस तरह से कि श्रीमती इंदिरा गांधी ने प्रिबी वर्ष को समाप्त किया था या उत्तर प्रदेश से चौधरी चरण सिंह जब मुख्य मंत्री थे तो उन्होंने उत्तर प्रदेश में जमींदारी व्यवस्था का उन्मूलन किया था।

ठीक उसी प्रकार से जो व्यक्तिगत सम्पत्ति है उसको सरकार को जब्त कर लेनी चाहिए एक सीलिंग लगाने के बाद दूसरे इस सदन में चर्चा भी की गई है की सरकारी धन का बहुत अपव्यय हो रहा है। जितनी भी शान-शोफत और भोग-विलास की चीजें हैं उनको खत्म करना चाहिए क्योंकि इस देश में आधा से ज्यादा आवादी गरीबी की रेखा के नीचे रहती है। अन्त में जैसा राजगोपालाचारी जी ने कहा था, लाइसेंस परमिट कोटा को भी समाप्त किया जाना चाहिए। अन्त में फिर जिस दल से मैं संबंधित हूँ यानी लोक दल, उसकी ओर से काले धन को समाप्त करने की जो व्यवस्था माननीय वित्त मंत्री जी लाये हैं उसके लिये शुभकामनाएं देता हूँ और पूरा सहयोग देता हूँ। धन्यवाद।

THE VICE-CHAIRMAN [DR. (SHRI-MATI) SAROJINI MAHISHI]: Mr. Adinarayana Reddy. Not present. Mr. Rameshwar Thakur.

SHRI RAMESHWAR THAKUR (Bihar): Madam Vice-Chairman, I congratulate the Finance Minister for initiating certain bold measures right from the Budget for the year 1985-86, for a long-term fiscal policy about which a debate is going on at the national level and an open and

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free discussion on the black money, that is, the parallel economy, in the country.

The origin of the black money, as we are aware, is said to be during the Second World War when we had shortages of certain essential commodities, and, therefore, rationing was introduced and certain quotas and controls were introduced. It was considered to be a short-term measure, but experience has shown that after the independence when we started the Five Year Plan and a very heavy amount of money had been spent and is being spent during different Plans for infrastructure, for agricultural development, for industrial development, with growth and development of the economy, this disease has crept into the system. Various committees have given their figures regarding black money which have been narrated. I would not like to take much time. The latest committee, the report of which we are discussing today, estimated this amount to be of the order of Rs. 36,786 crores in 1983-84. That is between 18 per cent to 21 per cent, of the gross domestic product of the country. There are others like Guptas who have estimated it to be of the order of Rs. 46,867 crores in 1978-79 as against 3034 crore in 67-68. Nobody has given the exact figure. Even the experts on this committee have said, "It is at best an estimate based on numerous assumptions and approximations, and the amount may be more or less. It is extremely difficult to really fix the actual quantum of the black money."

The causes of the black money, as have been narrated by the committee and as we are aware, are manifold. But the major one is tax-evasion as it has been going on not only in the direct taxes alone but in the entire range of taxes, the indirect taxes, the sales-tax at the State level and the various other taxes that we have at the State and the Central levels. And this also is not in the form of cash, but a substantial portion of the black money today is in 'black wealth', as it is called, in assets, in undisclosed assets, gold, ornaments, stocks and other forms. The moral values in the society have gone down and the stigma that was attached to the blackmoney is not as effective as it should be. I think inflation is

one of the reasons which is helping generation of black money.

There are inbuilt deterrent factors. We are already aware that our Government has taken various measures during the last three decades to fight this black economy. The first step that the Government initiated was direct taxes. I think if we take deterrent action against the offenders, possible we can reduce generation of black money.

The Government has appointed various committees/commissions right from the Taxes Enquiry Committee in 1953, Prof. N. Kalder's proposal of 1956, the Direct Taxes Enquiry Administration Committee in 1958 Administrative Reforms Commission in 1969 and Direct Taxes Enquiry Committee in 1971. These were the committees which were directly concerned with this black money. In fact, they have given many important suggestions. Now, I would like to say how far they have been effective. This is important. It was said that the tax rates should be scaled down because they were higher. Gradually tax rates have been reduced, from time to time and our Honourable Finance Minister has taken very bold and realistic step in advance in the budget of 1985. The suggestions of this Committee so far tax reduction is concerned have been implemented. So far as the present tax rates are concerned they are reasonable and rational tax rates have been applied. The recommendations of this Committee relating the abolition of estate duty has been implemented.

As regards demonetisation, in 1946 we got Rs. 143.97 crores only out of the total notes of Rs. 1,235.93 crores in circulation. On January 16, 1978 we had high denominations notes of Rs. 1000/5000/10,000 aggregated to Rs. 145.52 crores, out of which R.B.I. got Rs. 125 crores, 56 per cent of which amounting to Rs. 70 crores were tendered by the banks and the Government treasuries.

Many hon. Members mentioned about the Voluntary Disclosure Scheme. If we see the previous experience in 1951, it was launched with the proposition that there

will be no penalty. On this account Rs. 71 crores was disclosed wherein we collected Rs. 11 crores towards taxes. In 1965 we got Rs. 308 crores. Again that was modified further and we got Rs. 146 crores wherein we collected Rs. 68 crores towards taxes. Again in 1968 we had Voluntary Disclosure Scheme, we got Rs. 519 crores and the tax collected was Rs. 131 crores. In 1975 we got Rs. 1578 crores and the tax collected was Rs. 241 crores towards income-tax and Rs. 7.7 crores towards wealth tax. In 1981 we had Special Bearer Bonds Scheme wherein we have collected nearly Rs. 875 crores. When we are talking about Rs. 36,000 crores or more the total realisation out of these measures have not been adequate. These are not the only measures which can serve the purpose. But, we have to take very deterrent measures. We say that legal provisions are there, but they are weak. This is a fact. There are loopholes in the Act. I agree Acts are very comprehensive, but when we try to implement them we experience difficulties. For instance, when we come to the question of prosecution, in many matters the case goes to the court and the court grant stay orders and therefore, there is need to streamline further the taxation, laws and simplify the procedure. Secondly, about the survey. This is very important. I think, the number of tax assesseees in our country is very small. It is not a question of only the persons who paying tax and evading tax, larger proportion of the population today are we'll-off. They should be survey within the tax net. They are not there. It requires door to door survey as has been suggested by the Committee as also by the earlier Committees. The survey machinery has to be strengthened and it requires additional staff and additional facilities machinery that should be strengthened. Without that, it is not possible. Our coverage will be sufficient for a large number of people. Those who are out of the net, they are evading much more tax than those people who are within the net. Therefore, it is essential that we should intensify survey.

Now, Sir, about the acquisition of property. Acquisition of property, as we are aware is one of the sources where black money is generated in a large measure and in the past, the machinery has not been effective though we have the legal provision to acquire a property where we have doubtful transactions noticed by the department. It takes a long time and as per the figures given by Mr. Desai, it has not been possible to make it an effective instrument. Therefore, it is essential, now, that this machinery of acquisition of property should be more effective so that black money in this sector is reduced.

Next is about the search and seizure operation. Now, we must pay compliments to the Hon'ble Finance Minister for taking effective steps in this direction but taking into consideration the size of the country and also the size of the problem, the various sections that are involved, it may have to be further strengthened. But more important is not the indiscriminate search and seizure. Important is selective one to make it really effective and deterrent. That is important and I am sure, the Hon'ble Finance Minister will take necessary steps in the direction that wherever searches and seizures are made, effective arrangements are made quick disposal is made and the amount is realised quickly. In the past, our experience has been that if there is any search or seizure though a publicity is made, but then for years together, we are able to dispose of the cases and people have to suffer.

Next point is about corruption in the department. Now, whatever may be the reasons, we are aware that the image of the department is not clean. It collects all the money but nevertheless, the image of the department, particularly at the lower levels, as the Committee has suggested needs a lot of improvement. And I think, it is essential that we cannot have one sided approach. i.e. we should give different type of punishment to the tax evaders but those who are collecting the tax, if there are black sheep, even in a small number, they should also be brought to book and severe

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punishment given. But honest and intelligent officers, who are doing commendable work and who are performing their duties honestly, they should be rewarded properly and should be given incentives so that they perform their duties in a much better way. Then about the penalty. We are having the penalties but the penalties are not effective. Therefore we should levy the penalty under the Act, wherever leviable, in a more strict way and try to raise the amount. Prosecution is also a question where, as you know, the legal and other problems; have to be examined prosecution is launched, it should be carried out effectively and implemented so that it has its real deterrent effect. And conviction is equally important. Even a few cases of conviction will certainly have a very salutary effect on the entire community because it is a real social stigma. I am sure the hon. Finance Minister is very keen and concerned about it. So wherever a conviction is called for on merit, conviction should be there and no relaxation should be made to anybody.

My friend here has reminded me about publicity. A good deal of publicity is required about the working of the Department, its achievements and so on. Also due publicity should be given in the press about people who are indulging in generation of black money, so that it will have a social effect on them.

THE VICE-CHAIRMAN [DR. (SHRI-MATI) SAROJINI MAHISHI] I would request the hon. Member to conclude now.

SHRI RAMESHWAR THAKUR: A few minutes more. We have to concentrate on the sources of generation of black money. I have mentioned real estate transactions. In large-scale manufacturing also, black money is generated, as my friend who spoke earlier said, in regard to sales tax, in regard to excise, in regard to income-tax and other taxes in regard to income-tax and other taxes which are evaded. Therefore, there also we should have a very detailed examination.

And in some specialised sectors also, like smuggling, construction and so on, we must have a very detailed examination by the Department and special precautions should be taken.

Now, suppression of gross receipts is a major thing. We are aware how it happens. The receipts are not shown properly; the expenditure is shown to be more and the profit is shown less. This is the *modus operandi* through which this is being achieved. Now we have to be very cautious. Already compulsory audit has been brought by the Department, which is commendable. It has just started this year. If the audit of the accounts of firms which were not required to be audited, is carried out effectively, I am sure it will bring additional revenue and help to curb black money.

Now, about gold and silver, we are all aware that the Gold Control Act is there and other regulations are there. According to this report, these should be effectively followed. And the Income-tax Department should be in a position to correlate them so that we know where the gold is available, whether the persons have been subjected to wealth-tax and so on. This aspect is not being effectively tackled today.

Now there are two proposals which have been given. It may be considered, having known the volume of black money—it may be Rs. 35,000 crores or Rs. 40,000 crores or Rs. 50,000 crores—whether there could be some outlet for it. There is a suggestion made by the committee that there could be a National Fund for slum clearance or similar other laudable causes. It is worth considering whether some such investment can be made. On a regular basis also, I have a suggestion. So far as the tax rates are concerned, the hon. Minister has been pleased to give certain concessions. It is not necessary to add further. I do not agree with the Committee that progressively more concessions should be given in many respects. I personally feel that some avenues should be there for investment of savings. Saving is a "must" in the country because the cycle is income, Saving, investment, and generation of more income for

taxation. So it is essential that there should be avenues for investment even for the average person or an average middle-class man. If there are honest tax-payers and they have to have investment, possibly the avenues for investment should be increased.

Lastly I would like to make two more suggestions. Justice Mītra said that a large number of cases are pending before the various courts, the High Courts and the Supreme Court. It is essential now that there should be a special tax court or an economic offences court and from there an appeal should lie only to the Supreme Court.

At least in that respect the power of the Income-Tax Tribunal should be enhanced so that they get the status of a High Court so far as tax cases are concerned and then the further appeal should lie only to the Supreme Court.

Then there are different tax laws in different ways. It is essential we should have integrated tax laws—only one set of direct tax laws and one of indirect tax laws—and these should be so simplified, modified and rationalised that all people should be able to understand them easily and clearly and the administration should be able to follow them. And as the Finance Minister himself said there should be no amendments at least for five years; otherwise, it will create problems for the assesses and the administration.

Then, it requires a strong political will to deal with a situation like this. This has gone on for the last three-four decades. It is not an easy problem to solve nor can it be solved only through tax reforms and searches and seizures. It requires a lot of politically strong will and support of all the political leaders of the country, irrespective of which party they belong to. Then there should be a degree of social awareness; without social awareness we will not be able to achieve the desired results. Then, if we are providing for a deterrent punishment to those who are tax-evaders, at the same time those who are honest tax-payers, they should be taken into confi-

dence and given due respect and regard. That will also give a real impetus to solve the problem.

In the end, the Finance Minister said tax evasion checking would be a part of the long-term fiscal policy. For that we should have an inbuilt system in our economy not only in the administration but the economic policy coupled with that, the social values and political principles should be so intermingled that we are able to solve this big problem soon.

SHRI PARVATHANENI UPENDRA (Andhra Pradesh): Madam Vice-Chairman. I am sorry to observe that we are behaving like the biggest hypocrites in this House, politicians on both sides are the fountainheads of this nefarious acts of generation, concealment and utilisation of black money. I don't think it was necessary for the National Institute of Public Finance and Policy to labour so much and produce a 600-page volume to tell us that black money is generated through tax evasion, corruption and speculation. We are all aware of it. Similarly, we are also aware how this black money is concealed in real estate, in gold, in stocks, and, as one friend mentioned, even in the banks in foreign countries. We also know how this black money is utilised and with what disastrous effects. One of the honourable Members has mentioned that this black money or unaccounted for money is to the extent of Rs. 38,000 crores and every year 18 to 21 per cent of the national income goes behind the curtain. That itself indicates the enormity of the problem and our failure to check it so long.

It is the unholy alliance of the corrupt Politicians, the corrupt officials and the hoarders and the blackmarketeers, which has been responsible for this situation. And what have you done to control this except trying to cajole them and giving them an opportunity to turn the black money into white? We lack the will and determination to tackle this problem at the political level because we have been patronised by them and we have been patronising them and

[Shri Parvatheni Upendra]

we pretend as if we do not know these people. If you want to have a look at them, you will see them during the daytime in the corridors of power and during the night time they are in the 5-Star hotels and guest houses entertaining the Ministers, MPs and senior officials. Why should we pretend that we do not know them? We know every one of them. You should have the will and determination to curb this evil. If you have the determination and will, you can do it in a year. But it should not take 38 years to do this. I would go further and say that if the honourable Finance Minister or the Prime Minister is serious about it, they can still do this and they will definitely get our co-operation.

Why are we patronising them? It is because we need funds and we spend a lot of money in elections and we collect funds. But we do not collect funds through cheques; we collect funds in cash only. Are you prepared to come to a Gentlemen's Agreement with all the parties that we do not at least collect funds in cash? Stop collections at least in the form of cash, if not altogether avoid collection of funds. We are prepared for the electoral reforms. But why are you delaying these electoral reforms? There has been a suggestion that the State should bear the election expenses, a part of the election expenses, to reduce the influence of money power in the elections. Why are you not implementing this? That itself shows that you have no determination or will to control this evil.

[The Deputy Chairman in the Chair]

There is no point in discussing in this House for hours together as to how to curb black money and how to curtail black money. There is no point in discussing this here unless you show the determination and will to tackle this problem. In this connection, I would like to offer a few suggestions for the benefit of the Finance Minister if he cares to solve this problem.

One suggestion is, as one of the honourable Members suggested, that we should think of introducing an Expenditure Tax to curb conspicuous consumption and conspicuous spending. The second suggestion is, as has already been mentioned, there should be some control over the election expenditure and the State should bear a part of the election expenditure. Of course, some people mentioned about demonetisation. But I do not think that it will be effective unless you do it in a particular manner. I have an idea on this, but I will convey it to the Finance Minister in private rather than telling it in the House. Then, there should be more raids and seizures in the houses of business people and other people suspected of hoarding black money. Not only there should be more raids, but also there should be more publicity given to such raids and seizures. Also, there should be a watch kept on the vulnerable departments and this must be intensified to find out who are the officials colluding with these people.

Then, Madam, I also feel that stamp duty and registration charges for transfer of real estate from one to another must also be increased steeply and we should try to find out who exactly is indulging in concealment of black money through real estate property. Also, a watch should be kept on the builders and the gold merchants so that we can find out who are their patrons and customers. Similarly, the tax collection machinery must be streamlined. The banking operations also must be streamlined to find out fictitious accounts. You can easily do it by periodically checking these accounts and you can easily find out the people who are maintaining such fictitious accounts in the banks. Also, Madam, the Government's policy regarding giving loans against stocks and the financial institutions aiding some industries which ultimately go sick—I mean artificial sickness—should also be reviewed.

I have one more suggestion. You have an army of Intelligence men, the CBI people and the IB people and there are thousands, of these people who are keeping a watch on what Mr. Advani is doing or on what Mr. Upendra is doing or on what Mr. Gurupadaswamy is doing....

SURI M. S. GURUPADASWAMY:
 I am not doing anything.

SHRI PRAVATHANENI UPENDRA:
and are reporting on people on their activities. This is not what you need to do. I feel that you must have a Financial Intelligence set-up or Economic Intelligence set-up, an army of such people, to curb this crime and similar other economic crimes. So, you must strengthen your financial intelligence machinery also.

Madam, I do not want to take more time than what is allotted to me. But I would conclude by saying that so far you lacked the determination and the will to curb this evil and, if you show that determination and will, we are with you.

THE DEPUTY CHAIRMAN: Now, Dr. Shyam Sundar Mohapatra.

DR. SHYAM SUNDAR MOHAPATRA (Orissa): Madam Deputy Chairman, this is a subject, which we have been debating, God alone knows for how many years. MPs. have come and gone; but the black money has increased from Rs. 240 crores in the early part of our Independence to about Rs. 50,000 crores.

Mr. Minister, you may be the youngest Finance Minister in the world today. I would like to compare you with Pitt the younger who was the Chancellor of Exchequer at the age of 25 and gave England a very, very, first class economy. When there was a potato crisis the whole country was taken to ransom by the blackmarketeers.

Madam Deputy Chairman, our Prime Minister has assured the country to give a clean Government. The words "Mr. Clean" came from a British journalist when Mr. Rajiv Gandhi visited.....(Interruption)

THE DEPUTY CHAIRMAN: They said that MPs have gone and black money has increased. I don't think it has got anything to do with MPs.

DR. SHYAM SUNDAR MOHAPATRA: We are debating black money. Many of them are out; many of them have died. Some 240 crores of rupees has gone up to Rs. 50,000 crores of black money.

Madam Deputy Chairman, where from comes the black money? It is unaccounted for money, money which is not accounted by the Government. Does the Finance Minister know that each international deal that we are making, whether it is coal, whether it is steel, whether it is automobile, whether it is power generation, whether hydel or thermal—in all the international deals there is a 2 per cent cut-back. Who takes it? I was once asking the ex-Principal Secretary to Prime Minister Mrs. Gandhi, who was then Commerce Secretary, Dr. Alexander, why do you fail in the international market to bag orders, why Japan goes ahead, why West Germany, why others? Then he said: if it is not recorded I can say it is all a kick-back, it is all under the table. The system goes on. And where this money goes? It goes to Switzerland.

SHRI VISHWANATH PRATAP SINGH: I strongly refute this allegation.

DR. SHYAM SUNDAR MOHAPATRA: All right, I will withdraw it. I was making a reference to the fact that money is in Switzerland. Many persons don't know it.

Now, Madam, Mrs. Gandhi told here when we were debating the Antulay

[Dr. Shyam Sundar Mohapatra]

affair that corruption has become a global phenomenon. It is very true. Mr. Tanaka of Japan was held up by the whole country. Call it Mitsu Bishi, call it General Motors, call it Lockheed, call it Enseldo or call it Snam Progetti—all these international organizations which are competing in the world market. I do not accuse them. They have to bag orders. And we have to give them orders. The question is that black money is generated. Think about the cinema stars. Mr. Prem Bhatia has written in the Tribune that a large part of the black variety is money that sustains the multi-crores cinema industry. We know the cinema stars who charge Rs. 30 lakhs, Rs. 40 lakhs or Rs. 50 lakhs—superstars—who built houses in Vasant Bihar, Golf Links and other places. Who are they? Someone is going to buy Maiden's Hotel. But they show only Rs. 2 lakhs, Rs. 3 lakhs or Rs. 4 lakhs—the Directors, the producers, the photographers who charge huge money from the financiers. Nothing recorded. How can you stop generation of black money? Probably the whole polity has become corrupt. We have become accustomed to a way of life. Benjamin Franklin, when he was asked about corruption, said: there is nothing certain in this world except death and taxes. And he told the tax collectors: it is very, very difficult to catch tax evaders. What I want to say is that corruption is writ large everywhere. You have appointed a Commission of Inquiry against Bhajan Lal. There is going to be another inquiry against Dada Patil. It should not be that when it suits we do something, and when it suits we push them out. Why should they be hauled up? What have they done? They were holding very high positions. They are holding high positions. The question is, it is the body politic. In Bombay, when I go to Bombay I see skyscrapers at the Nariman point, in Cuffe Parade, on Reclamation and everywhere. For every annual fee

they charge lakhs and crores. I went to Hong Kong. Hira Lal, the Indian businessman who maintains dozens of Rolls Royce has money from Indians who put it there. Not only one, but there may be many Hiralals in different parts of the world who are getting our money. The Finance Minister has no access to Switzerland banks. But he can find out that crores or millions are going out of India.

I have a 'Sunday' with me, its latest issue, where there is a write-up against the Orissa Chief Minister that he has money in Switzerland. I don't believe it. He is a very good friend of mine. Now, the Finance Minister should enquire into it. It came up in the Assembly. When the Chief Minister heard the allegation, he could not reply. He took several days' time to issue a rejoinder. One does not need a week's time to issue a rejoinder when somebody says that the Chief Minister went to Zurich. Now Zurich is the place where the account is operated. He went there because he wanted to enter into an agreement with an Austrian company. For that the Chief Minister need not have gone there. The Chief Secretary could go or the Chairman of the Mining Corporation could go. I do not either dispute or support this write-up. I want to place it before the Finance Minister. It is a serious allegation against one of our most eminent Chief Ministers of the country.

How is this black money generated? Tirubhai Ammani got clearance of about 800 crores of rupees in 8 months' time. It came out in Sunday, in India Today and everywhere. I want to impress this thing. Unless the Government is determined to clear the Augeans stable from the highest to the lowest, it cannot be done. It is not that people at the lower levels are corrupt. Mr. Bhatt has said a little while ago that tomatoes are selling at Rs. 10 a kilo, brinjal, which I like very much, at Rs.

10 a kilo. kaddoo at Rs. 7 a kilo, lauki at Rs. 7 a kilo. God alone knows whether you go to the market or not. This is the position. We, the M.Ps. cannot afford it. How can a middle class man afford it? He may be taking Rs. 5 or Rs. 7 to grease his palm. But people who conclude the deal's, people who conclude the contracts, people at the top who allow corruption to percolate to the lowest level are the people whom you have to catch. Then only you can give a clean Government and the whole country will be obliged to the Prime Minister. If he wants to clean the society of this rubbish, he has to take strong measures. It is not that you take strong measures when it suits you and do not take strong measures when it does not suit you. Thank you, Madam.

SHRI VISHWANATH PRATAP SINGH: Madam Deputy Chairman, I thank the hon. Members for the valuable suggestions they have given. It is a subject which concerns all of us. We are concerned about it. It is also correct that we cannot take a sectoral view of this issue. It is a question of the whole economy and the whole economy is an organic thing. It is in this perspective that we can approach the problem and attack it.

Shri Nirmal Chatterjee mentioned the phrase 'damp squib' many times. He used this phrase so many times that he even damped his speech by this 'damp squib'. Somehow he has admitted today and that was a great revelation for us that every economy is a mixed economy from the U.S.A. to the U.S.S.R. In fact, we cannot divest any such discussion from general considerations also. But I will not go into those details because that will take too much of time. Therefore, I confine myself to the concrete suggestions. While we approach these problems, we have to keep an eye on what is basically the human nature. Then we have to think as to how to deal with it. It

is socialistic goodneess as well as capitalist greed. We think it is mixed human conduct and behavior and it is not a single variable behavior but that it has multiple variables by which it is motivated. So, our approach to it has also to be multifold.

There was the advocacy that fear element should not be used. Certainly we cannot perpetually have a society based on fear psychosis. But if greed is one element of human nature on which a certain Section of society does rely on as its main-spring, to curb that greed we may have to use some element of fear which has also been used so far but we cannot do it totally. At the same time there is goodness. We have made some attempt to have a reasonable sort of structure. So, we have to approach it in the parameters of the mixed economy we have. So, it is various mixed measures that we will have to take, economic measures as well as administrative measures. When we come to any tax proposals, changes or reform or bringing it up or bringing it down, many other issues than the mere black money are there. Taxes are lowered not because the sole purpose of it is to do away with black money or deal with black money. That can be one element. There is also an element of having a tax structure that will be conducive to growth. There is also an element of need of revenues for public spending. And Indradeep Sinhaaji raised a very pertinent point. When we think of any lowering of taxes, then in a mixed economy, we have to strike a balance between the public spending and how much we give to the private sector, and where you fix the equilibrium. In a mixed economy, you cannot put it at one extreme or the other. And it is a relevant point because if we reform, where there is any loss of revenue, immediately comes the problem of what you are going to do for your public spending, for governmental spending. So the policy-makers have to strike a balance because we have a mixed economy. We have a

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public sector; we are committed to it. We need resources for development. We need resources to give to the poorest section. We have to raise taxes. We cannot absolutely go on for total reform irrespective of it. So, it is that we have to strike various delicate balance. There may be disagreement. But in our light we are not going either to this extreme or that extreme, but we are trying to strike a balance, and that is how we are trying.

One of the recommendations of this report is the general reduction of taxes. And Shri Nirmal Chatterjee also conceded that if you have 100 per cent tax rate, there will be higher tendency for tax evasion. Certainly, if you bring it to zero, then there is no black money. So, somewhere in between we have to find the answer, where the level would be correct, (*Interruptions*) generally speaking, and that is how we brought it. We think that this is the level where it is reasonable. At the same time, we will take care of our need for public expenditure. When we think of public expenditure- and governmental spending, we have also to rely on growth. Buoyancy is an important factor for any tax management. And if we have buoyancy on the one hand and on the other plugging the loopholes for evasion and a firm implementation, then even with lower taxes, we can raise the revenues to fund development. And that is what the basic strategy is. We think that there should be growth. By plugging the loopholes of evasion and having a tougher implementation, the mopping up is more of revenue income. Then, Sri Jaswanth Singh said that had I put the indirect taxes first and then gone on to direct taxes reform, I would have come to less criticism.

But, I think, when it is a concern of the country and the nation, if it is a correct thing, one should not try to save his skin and certainly I

will not save my skin even if it comes to criticism. If that is the correct thing certainly I am open to suggestions. But for criticism's sake, I will not fight shy of doing the correct thing. And, in all these matters also is the consideration of effective tax rate. If we take away the exemptions, the effective tax rate does not necessarily come down and the effect of this is that in fact how much of the industries are saying, do not do away with this capital investment allowance, because even if you lower taxes, if you take this away, the net effective tax will go high in spite of lowering the tax rate. It is the effective tax that counts, and if we take away the exemptions we have not much lowered the tax that way. If you see the composition of tax what happens in a high rate tax? Who gives mainly the tax? Your salaried class or public sector. Sizable portion of the corporate sector taxes that we collect, maybe half, or maybe a little more than half, comes from the corporate sector. By raising rates only you hit the salaried class and also the public sector. In fact those you should hit are those who are evading it. Make it tough for them. Then only you are catching hold of the evaders and contributing to the kitty.

The other recommendation in this report is that all these articles where there is smuggling, is because the costs are high. We should try to reduce the costs and where there is the role of the duties, we should try to reduce the duty. Well, but this is not the total remedy to my perceptions. Some, it can take care of. But then comes the revenue consideration. After all, this gives us the revenue. Between revenue and reform sometimes there is some conflict in the immediate future and if we have to deal with it we will have to face it out. Now in the textile man-made fabrics, excise is an element to be faced. But more so is the structural nature of the industry itself which is making it high cost. Now, the tax, if it is 30 per cent, by

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changing the tax you are tinkering with 30 per cent of it. But due to structural rigidities and size of industry itself the economies of scale is not there, so its high cost it will not be able to lower it compared to international prices and then in the matter of concessions we are very clear that they must be passed on to the consumer. And, if they are not passed, there is no rationale for giving any concessions if they are not passed. We will take care of that. In the textile policy statement some suggestions have come and we will have to see them and only in the varieties which are consumed by the middle-class and the poorer sections, which possibly can afford it, only in those varieties we are thinking of concessions on them. But in the case of gold etc. certainly I do not think we can have an open regime of gold and try to have reduced smuggling on that. We will have to rely on administrative measures and also some economic measures and that is where force and fear is necessary and we will use it. Now, Satya Prakash Malaviyaji and Shri J. K. Jain also mentioned about controls. Malaviyaji said that the control, the quota system is causing lot of black money. While physical controls will be necessary, but we want to move from discretionary controls to non-discretionary controls. When it comes to licence and quota, somebody sitting somewhere really issues it and there is lot of red-tape, lot of corruption also involved. Instead of this mode of controlling the economy, while we have to give direction to the economy, we cannot give up the steering wheel of the economy; the mechanism to steer it would be non-discretionary controls through customs tariff, through credit policies, through institutional finance, landing priorities. I think this would affect generally the atmosphere by which corruption in this mode of quota licensing system could be controlled, because one does not have to go to any person; the whole system is taking care of the

direction and in that, the person has to operate, and this is applicable to all. In this connection we intend to come with a long-term fiscal policy by September end and the indirect tax reform exercise we want to bring at the next budgeting. These things we can do earlier also if we can and we shall not wait till the next budget, and the general pattern being that raw material customs duty be lower; intermediaries be higher than on finished product, and wherever there is indigenous capacity for raw material, protection will have to be given; but the degree of protection shall have some ceiling. There cannot be unlimited protection because if somebody is inefficient, the whole economy pays for it and we cannot protect an inefficient unit just because it is there. So, an upper limit is there and these exercises are being done. I think in due course, we will be coming out with them.

Shri Upendra Ji, Shri Hukmdeo Narayan Yadav when he spoke right in the beginning and Jaswant Singh Ji also and many other Members mentioned about the role of election expenses. And this report has come down upon it. I think this is a national problem and we should all put our minds together, apart from party barriers, as to how we can improve our election system, and that one is not dependent on donations or big money or otherwise. I am not making charges this way or that way but I think this is a serious matter over which as a nation we all—all the political parties—should put our heads together and devise means as to how we can make electioneering independent of it. One measure, of course, the Government has taken at the initiative of our Prime Minister, is of making donations by companies public and open. About expenses, it is not easy for the Finance Minister off the cuff to agree right away but this is a serious matter. We should apply our mind and we are applying our mind to this suggestion. There is a

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recommendation about integrity of senior officials etc. I think this is right. Wherever there is corruption, it must be fought and we are not soft on it. Already, I am given to understand that many Government servants have been arrested; about 9 officers were arrested already in this year. But to taint everyone would not be fair because these very officers, if you consider, within these 6 to 7 months have caught gold 3 times that was caught last year. After all, someone is delivering it. As I said, they have caught by now three times the quantity that was caught in the whole of last year. In fact, this evening, after this debate, I am going to reward those officers who have done it. I know, many of them have endangered their life in the process. Where it is their due, we must pat them and where there is corruption, certainly, there is no question of pardoning them. As you know, recently, these officers have conducted two operations, KETU and KALI. The very name connotes what we intend to do and results have been there. Several crores of foreign exchange dealings, illegal dealings, diversion to prohibited destinations like South Africa, the raid on the tin industry people here; all these have yielded results. These very officers have done it. Therefore, let us not paint everybody with the same brush. While hon. Members are giving all support, some newspapers have taken to attacking these very raids and we are seeing write-ups in the newspapers. But certainly, any amount of these write-ups for editorials would not deter us, as Mr. Ray has said, from our path, from our fight.

Then, there is a suggestion in regard to the creation of a fund for slum clearance and giving exemption, a policy of declaration of wealth and a certain amount of taxation. I have already said that the Government is not thinking of anything like the bearer bond type. This is a recommendation, not from the Government, but from an insti-

tute. In this connection, Mr. Chatterjee mentioned about Acharya and some reference to IMF. I think, this is not fair. I know the person. He is a good officer, as nationalist as anybody else. Being in any institution does not reflect the sincerity of the advice that he has given in this matter. I will not say anything on this. Members have expressed their opinion. The very purpose of this debate is to elicit opinion. After having elicited the opinion, we have to evaluate it and then come to a decision.

Then, there is a suggestion about training. We are thinking about this. We have started some programme on this. Strengthening of staff. We are thinking of. In some cases, we have increased. In some other cases, we are going to increase. Then, about door to door survey. Mr. Thakur mentioned about this. I think, this is one thing which is very necessary if we have to take care of those who are escaping the tax net. We are going to establish an economic intelligence wing. Shri Upendra mentioned about that. This will be integrated. There are various agencies in the Finance Ministry. But there is no nodal point to coordinate all these. This economic intelligence wing will coordinate everything and will go into these matters.

At the same time, there is need to strengthen the law. The present law in regard to seizures and searches has many defects. It is not that strong. Take, for example, searches. Only today, I had a meeting with the Income-tax Commissioner. He said, during a search, if one finds something which is not proper, he cannot seal it under the present law. By the time he takes measures, the whole thing is shifted. Similarly, when a seizure is made, there is some time lapse. We are going into all these things and we will be bringing in tax reforms, to take care of these weaknesses, to remove these weaknesses and to strengthen the law. We will come before the House. Mr. Jagesh Desai has said, we should use a little stronger hand. Under the present law, we have to *prove mens rea*, not only the evasion but the intention to evade. The recommendation is that the

very act of evasion should be punishable and the onus should be on the person who is evading the tax to prove his innocence. I think there is much substance in this recommendation. I cannot immediately commit the Government but I do think there is a lot of force in this and it is worth going into.

About special courts, we did mention in the Budget that special courts will be established. Two have been established in Delhi. Other State Governments also have established. Some had it earlier. For others the Law Ministry has written to the High Courts and the Chief Ministers to establish these courts. But I am not fully satisfied with the present arrangement. There is the suggestion of Justice Mitra and Shri Thakur about a tax tribunal or a bench in the Supreme Court or the High Courts or a separate tribunal to deal with this. I think we will certainly go into it and examine this suggestion, it has some very positive aspects.

Finally, of course, many Members said that we have to search our own hearts. I think we cannot contest this suggestion because anything that has to start has to start with us also. It cannot have exemptions anywhere. The main thing connected with this is the will to do it and also the moral sanction to do it. I think for this no laws can be made, but whatever laws are there, we have to make them applicable to ourselves also. The law will take care of everyone, that is a different thing, but we have to have a determination within ourselves,

Some point about expenditure was made. The point was about leakage of expenditure and expenditure tax was suggested. Well, certainly the leakage of expenditure does go into unaccounted money or generally, it is in the context of general management. We are doing an exercise, where there are duplication of agencies or where there are agencies which are hardly doing any useful work, not contributing much. There the expenditure has to be reduced. Some Ministries are attached with some

consultancy which is now redundant. There are some directorates or some multiplying the officials also. There is the addition of so much work. There is the addition of so and we will be bringing legislations for trimming up the expenditure. What is necessary is that it must go to the developmental side, to the people, rather than just the expenditure on service. So, we are doing this exercise.

Just because this is a report, the debate was mainly to elicit opinion. I think it has been very useful and I am thankful to the hon. Members. When we come to a final decision, perhaps we will have another debate on it.

Thank you.

ANNOUNCEMENT RE. ALLOCATION OF TIME FOR LEGISLATIVE BUSINESS

THE DEPUTY CHAIRMAN: I have to inform Members that the Business Advisory Committee at its meeting held today, the 14th August, 1985, allotted time for Government Legislative Business as follows:

<i>Business</i>	<i>Time Allotted</i>
1. Consideration and passing of the Auroville (Emergency Provisions) Amendment Bill, 1985.	2 hrs.
2. Consideration and return of the Coffee (Amendment) Bill, 1985, as passed by Lok Sabha.	2 hrs.
3. Consideration and passing of the Essential Services Maintenance (Amendment) Bill, 1985, as passed by Lok Sabha.	4 hrs.

The House is adjourned till 11 o'clock on Friday.

The House then adjourned at forty-nine minutes past six of the clock, till eleven of the clock, on Friday, the 16th August, 1985.