

श्रीमती शीला कौल : आप का ब्याल बहुत नेक है । कमेटी को काम करने दीजिये सब कुछ बनता जायेगा ।

श्री संयद शहाबुद्दीन (बिहार) : मैं अपनी तरफ से और अपनी पार्टी की तरफ से इस का खैरमकदम करता हूँ, दिली खैरमकदम करता हूँ । मैं आप की इजाजत से एक शेर पढ़ना चाहता हूँ—

‘की मेरे कत्ल के बाद उस ने जका से तौबा हाय उस जुद पशेमान का पशेमान होता ।’

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Why this unpleasant tone? I don't understand. Never mind. It is all right. Yes, Mr. Sisodia.

#### PAPERS LAID ON THE TABLE— Contd.

#### Notifications of the Ministry of Finance (Department of Revenue)

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAISINGH SISODIA): Sir, I beg to lay on the Table a copy each (in English and Hindi) of the Ministry of Finance (Department of Revenue) Notifications Nos. 62/81-CE to 73/81-CE, dated the 25th March, 1981, G. S. R. Nos 192 (E) to 203 (E), together with an Explanatory Memorandum thereon. (Placed in Library. See No. LT—2240/81]

#### I. STATUTORY RESOLUTION SEEKING DISAPPROVAL OF THE SPECIAL BEARER BONDS (IMMUNITIES AND EXEMPTIONS) ORDINANCE, 1981.— Contd.

#### II. THE SPECIAL BEARER BONDS (IMMUNITIES AND EXEMPTIONS) BILL, 1981—contd.

SHRI ARVIND GANESH KULKARNI (Maharashtra): Sir, we have

very recently discussed the Budget and the aspects of the Budget have been gone into while discussing it, and all the political parties have expressed their opinions and what they think of the Budget. Now, Sir, the Government has come before the House with the Special Bearer Bonds (Immunities and Exemptions) Bill, 1981.

Sir, before going into the other aspects, I have got certain clarifications to seek from the Finance Minister and he can take note of them and clarify them while replying to the debate. Sir, the Finance Minister—if I am right—has stated in the other House while replying to the debate there—which I read from the Press as well as in the Parliament Library—that the Bearer Bonds Scheme has got certain good aspects—of reducing the liquidity in the economy and attracting black money, which has got really no proper estimation and nobody can correctly assess its magnitude. Assessing the black money is just like the seven blind men assessing an elephant: those who feel its legs say that the elephant is like a pillar or something like that and so on. So, Sir, as to the extent of the black money, etc., nobody has got an idea. But I would like the hon. Finance Minister to throw some light. If I am wrong I stand corrected.

Now, Sir, let us go through the Bill, and go in depth into clauses 3 and 4. First let us take clause 3. I am only summarising because I do not want to quote it and waste my time in quoting because here everybody has got a copy of the Bill in his hand. Clause 3 gives certain immunities for those purchasing the Bearer Bonds. Clause 4 says “Acquisition, etc., of Bonds not to be taken into account for certain proceedings”, that is, for income-tax etc. Sir, I fail to understand this. Suppose ‘A’ purchases bearer bonds of Rs. 10,000, under clause 3, he is immune and he

cannot be taxed by the licensing authorities—nothing under the Wealth Tax Act, nothing under the Estate Duty Act, and no information required about the source, how the money was got, etc. But, under clause 4, they say that this cannot be taken benefit of under the normal provisions of the Income-tax Act. I do not know the intricacies of the income-tax laws because an honest tax-payer pays his income-tax and he is rarely accustomed to the intricacies of the laws; he does not know how to take benefits. Perhaps a tax consultant or a tax-dodger knows it better. Now, suppose 'A' has acquired, under section 3, a bearer bond of Rs. 10,000—I am giving an example—under section 4, the normal Income-tax Act will be applicable. That is all right. But, under the Income-tax Act, if I am right, the property already acquired in the previous year is not taxable; that cannot be held for tax purposes. I may be wrong, I immediately accept it; but it is for the Finance Minister to explain to us whether this is correct or not. I say this because based on whatever information I have got, whatever I have read and whatever I have learnt out of discussion with anybody, this is one of the difficulties that will have to be gone into; otherwise, it will come under dispute and litigation. (Interruptions) But, under the Income-tax Act, the property acquired in the previous year is not taxable in the year. That is what my information is. It is for the Finance Minister, who is administering the tax laws, to clarify. He will be better qualified to reply to this.

Then, Sir, the second point...

**SHRI R. VENKATARAMAN:** What is your difficulty? I have not understood your problem or difficulty.

**SHRI ARVIND GANESH KULKARNI:** My problem is: If 'A' purchases bonds worth Rs. 10,000 in 1981 and sells those bonds on the 31st of March—because the bonds are

saleable; he can sell those bonds to anybody, for whatever consideration; but that is a different matter—to 'B' and 'B' in his income-tax returns will show that the bonds were purchased by him. He will say: "I have purchased the bonds at the face value, or whatever it is." And, since the bonds themselves are not taxable, this acquisition of property in the previous year before the 31st March is also not taxable. So he will be immune from tax also. This is what I have read, I have learnt. I have consulted various tax experts and they say that this is a point for dispute because clauses 3 and 4 are conflicting as regards the intentions of the Government. If the Government feels so, it is for them to rectify.

Then the second point is ... I will give a rare example. Mr. Venkataraman, as the Finance Minister, feels that the bearer bonds scheme will be attractive and more money will be netted in, the Government will receive more money. But, suppose after the maturity period, somebody purchases bonds, say, in the 8th or 9th year, before the ending of the maturity period, worth a lakh of rupees for Rs. 5 lakhs—this is supposing that the Supreme Court holds that it is valid under the Constitution; I do not know what they are going to say; I cannot discuss it—will that amount of Rs. 5 lakhs, or Rs. 10 lakhs, be immune or not immune? I ask this because the Bill does not clarify to the extent necessary to an ordinary man to help him understand and appreciate the position. The third point is that Mr. Venkataraman, the Finance Minister, has stated in the Lok Sabha that this bearer bonds scheme had been evolved to mop up the liquidity in the economy. With all humility, I do not understand how the Finance Minister is claiming that he will mop up the liquidity, because Sir if 'A' purchases the bearer bonds worth Rs. 10,000 he is going to get Rs. 6,000 from the bank. So, Rs. 10,000 means another Rs. 6,000. Similarly this goes

[Shri Arvind Ganesh Kulkarni]

on multiplying itself. How does he think that the liquidity is going to be mopped up? I do not appreciate this. This might be correct. Instead of that you say that there is a concealed benefit or taxation of 40 per cent. Whatever it is, you are claiming that the Government is going to give only 2 per cent rate of interest. In this connection I do think that if the bearer bonds scheme had been subjected to 40 per cent tax at the outset and done away with that, whoever contributes to it would have been in the books of the Income-Tax Department for future taxation purpose. For future policy this would have been better. Why the Finance Minister has chosen this idea, I do not know. It is for the Finance Minister to decide.

Then, Sir, what I am thinking about the bearer bonds scheme is this. About morality etc. I do not want to say anything. We, who come from the older generation, cherish some culture and memories. The Finance Minister himself has said that there was no morality, and that black money was threatening the economy all over the world. I think, Sir, the politicians, the bureaucrats and many governments are responsible for this, and they have also to share the responsibility along with the industrialists and the smugglers. And whoever is indulging in this are all concerned. Sir, I am particularly concerned with the moral values in the country, and for that purpose I do think that if 40 per cent would have been straightaway taxed, it would have been better. Previously some schemes were like that. They were not so successful. A scheme with 40 per cent or even with 30 per cent would have been on the moral ground, and on the ground of equity it would have been more justifiable than the present scheme. I am not justifying it on moral grounds. But I agree with the Finance Minister. Morally or immorally, if money is re-

quired for the development of the country, to remove poverty, get it because other measures are not being implemented because of political weaknesses or other things I do not know.

What I am saying is this. I know the present politicians, the bureaucrats and the industrialists. All are in league. I do not say of all the politicians. There are good people also like Mr. Venkataraman himself. I know him. I can vouch safe for him. But everybody is not Venkataraman. (Interruptions) There are many politicians. I cannot listen to him. So what I am thinking, Sir, is . . .

SHRI RAMANAND YADAV:  
I have successfully derailed you from the line.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): "Are you seeking any benefits from the Finance Minister?" he is asking.

SHRI ARVIND GANESH KULKARNI: As the Finance Minister, I know him now. I know his total life. I have worked with him for the last 30 years. So I know him. I also know Mr. Yadav. He is also a very good person, a very lovable person. I know him also.

SHRI MURLIDHAR CHANDRAKANT BHANDARE (Maharashtra):  
What do you think of the Chair?

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Mr. Bhandare, do not try to create mischief. I only translated what Mr. Yadav had said. He said,

कोई फायदा उठाना है क्या ?

It was because Mr. Kulkarni could not hear him.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: It is so gratifying to see the respect the hon. Member, Mr. Kulkarni, is giving to the Chair, and the Chair under tolerance listening to him.

SHRI ARVIND GANESH KULKARNI: But I always retort ...

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): He is giving to the Chair.

SHRI ARVIND GANESH KULKARNI: But I always retort ...  
(Interruptions)

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Now, please, I do not want any discussion on this.

SHRI ARVIND GANESH KULKARNI: They are taking my time. You have to give me that much time more. If they want to intervene, I am game for it. (Interruptions)

SHRI P. RAMAMURTI (Tamil Nadu): Please allow me to say something at his expense.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): No.

SHRI BHUPESH GUPTA (West Bengal): You know Mr. Venkataraman is a very good man.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Dada, please.

SHRI BHUPESH GUPTA: Can you name anyone who is bad in the House?

SHRI ARVIND GANESH KULKARNI: That I am coming to. That is the next part of my speech. So Sir, ...

SHRI B. D. KHOBRAGADE (Maharashtra): You say there are bad persons also in the House?

SHRI ARVIND GANESH KULKARNI: You have to listen to me. About Mr. Bhandare's remark, I have the greatest respect for Dr. Zakaria. Sometimes people get provoked. These are all emotional things. I have nothing personally against Dr. Zakaria. Why should I have? I have nothing against anybody personally. We may fight here. We always fight here. If I take some names, you are also going to shout along with my young and loving friend, Mr. Jain. I

have to retort. I have to fight with him. That is all. (Interruptions)  
So, Sir, please allow me to continue.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Order, please.

SHRI ARVIND GANESH KULKARNI: What I am saying is that the lack of moral values of the politicians has to be condemned with all the force by all the Members of Parliament, whoever he may be or to whatever party he may belong. Sir, we have to see the present circumstances. The economy is in a crisis. I do not want to blame this Government or that Government. The economy is in a crisis. Neither do I want to blame the ruling party nor do I want to blame our combined party which ruled before. International forces are operating in this country also. The problem is really gigantic. That I know. But the moral values which are to be observed by the politicians are of a very high order. Otherwise this stupendous task of removing poverty will not succeed. (Time bell rings) Only five minutes more. Yesterday the Prime Minister gave a speech. I was very happy. She told the police officers—IB officers or CB officers, whoever they were—of the values to be cherished and she condemned corruption at every level. I am very happy about that. Sir, on the one side we hear the Prime Minister, at the highest level, condemning corruption. On the other side, when you take out any newspaper, any weekly, *Sunday*, *India Today* or *Mainstream* or any magazine of the Left or Right, or *Dada's New Age*, you see that Mr. Brahmachari receives an aeroplane from Swaraj Pal. I want to ask Mr. Venkataraman ...

श्री रामानन्द यादव : यह कहां से आ गया... (व्यवधान)

श्री अरविन्द गणेश कुलकर्णी : ठीक है, हो गया

श्री सदाशिव बागाईकर : आप भी  
 ब्रम्चारा के हिमायत हा गये ?  
 (व्यवधान)

THE VICE-CHAIRMAN (DR.  
 RAFIQ ZAKARIA): Order, please.

SHRI ARVIND GANESH KUL-  
 KARNI: So, Sir, what I am saying is  
 that this Swaraj Pal had obtained a  
 plane and I do not know whether the  
 Finance Ministry had taxed it or not  
 taxed it. From whatever I read in  
 the press, it seems that it was allow-  
 ed as a gift to Swaraj Pal for some  
 Ashram. There might be such a sys-  
 tem also. I know that many philan-  
 thropic people gift it for medical pur-  
 poses, etc. But is the Finance Minis-  
 ter objectively satisfied that such a  
 type of hanky-panky affair by Mr.  
 Brahmachari should be allowed to go?  
 We raised this point about the plane  
 which crashed when Sanjay Gandhi  
 was piloting it. Till now no report  
 has come. And I do not think the  
 report will ever see the light of day.  
 I am also surprised at another thing.  
 I do not want to take the name of  
 the person. Very recently a very  
 high and influential Member of Par-  
 liament was nabbed at Palam airport.  
 He has signed a declaration. He  
 brought wrist-watches, video-tapes  
 and what not. They are with the  
 Customs Collector. The document is  
 there. He has signed it. Now pres-  
 sure is being brought so that the  
 Customs Collector may be transferred  
 and there is pressure for getting these  
 watches, etc. released. If some such  
 corruption takes place ...

SHRI R. VENKATARAMAN: If  
 you want to make a charge, you must  
 make a specific charge. If you say  
 only vague things, you cannot expect  
 me to answer. This is not correct.  
 If you have information you make a  
 specific charge and we will inquire  
 into it.

SHRI ARVIND GANESH KUL-  
 KARNI: For your information—you  
 are senior to me—in this House it is  
 not the Lok Sabha practice that we

tell you in advance what charge we  
 are going to make. That is not the  
 convention of this House. The con-  
 vention of the House is even if we do  
 not name persons—I do not want to  
 name the person—it is for you to  
 examine. I can show you the press  
 report. If press reports are any  
 guide, it is for you to investigate. I  
 am not going to name the person.

SHRI BHUPESH GUPTA: On a  
 point of order. I cannot understand  
 this interruption from the Minister.  
 The honourable Member has mention-  
 ed a Member of Parliament. He has  
 not given the name for whatever  
 reason. If I had the name, I would  
 have given the name. Now, the  
 honourable Minister can certainly  
 find out from the Customs, he is in  
 charge of Customs also, as to whether  
 there was any such Member of Par-  
 liament who landed at Palam on any  
 particular date who had such things  
 in his possession. You can easily get  
 the information.

श्री रामानन्द यादव : उपसभाध्यक्ष  
 जी, कुलकर्णी साहब ने अभी एक बात  
 कही कि एक सम्मानित सदस्य, पार्लियामेंट  
 के पालम एरोड्रम पर कुछ विदेशी  
 सामान के साथ पकड़े गये । मैं समझता  
 हूँ कि जब तक वे उस व्यक्ति का नाम  
 नहीं बतलाएंगे तब तक हम सब के ऊपर  
 लोगों की संदेह की छाया दौड़ेगी और  
 इस तरह से हमारा अपमान होगा ।  
 मैं चाहूंगा कि अगर उनमें सन्देह है,  
 करेज है और वे जिम्मेदारी के साथ  
 बात करते हैं तो उन्हें उस आदमी का  
 नाम लेना चाहिए ताकि हम लोगों के  
 ऊपर अदृश्य रूप से जो बात आ रही है  
 और जिस व्यक्ति की बे चर्चा कर रहे  
 हैं उससे हम बरी हो जायें । उन्हें उस  
 व्यक्ति का नाम लेना चाहिए । इस  
 तरह से तो सहसारे हाउस पर और दोनों  
 हाउसों पर एक प्रकार का स्तर हो  
 गया । उन्हें नाम लेना चाहिए कि वे  
 सदस्य लोक सभा के थे या राज्य सभा

के थे। वह कौन व्यक्ति थे, उसका नाम उन्हें जिम्मेदारी के साथ लेना चाहिए ताकि मंत्री महादय उसका जवाब दे सकें और हम सदस्यों के ऊपर जो दोषारोपण किया गया है उससे हम बरी हो सकें।

श्री सदाशिव बागाईकर : श्रीमन्, मैं एक चीज आपके सामने रखना चाहता हूँ। कुलकर्णी जी ने अभी एक बात कही।  
 For the benefit of the honourable Minister of Finance I may mention that last week it was reported that spare parts of aircraft. . .

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): No, no, don't go into another matter. The narrow question here is Mr. Kulkarni has mentioned that one Member of Parliament has been caught smuggling or has been caught taking, bringing, certain. . .

SHRI ARVIND GANESH KULKARNI: I have not said 'caught'. That is not my word. I said one honourable Member of Parliament has declared, because he was stopped by Customs to go inside, in that green channel or whatever it is, from where . . . (*Interruptions*)

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Now the whole question is if one Member of Parliament brought certain goods, has declared them and if the Customs has cleared him, then the question does not arise. . .

SHRI NARASINGHA PRASAD NANDA: His allegation is that he made a declaration to the Customs that he was not in possession of any article which was against the Customs Act, but later on his declaration was found to be wrong and in his possession were found wrist watches, video tapes and other things. These are still with the Customs authorities.

And now his allegation is that pressure is being exerted to see that no action is taken . . .

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): That is what you mean that no action is being taken?

SHRI NARASINGHA PRASAD NANDA: That in his allegation.

SHRI P. RAMAMURTI: After all, Mr. Kulkarni has not made the allegation. He drew the attention of the Minister to a newspaper Report. I do not know whether it is a newspaper report or some other report . . .

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): In the press is the name mentioned?

SHRI P. RAMAMURTI: No, it is not mentioned. He has drawn the attention of the Minister to a report appearing in a newspaper. Whether that newspaper report is correct or not, he does not vouchsafe. When he brought it to the notice of the Finance Minister, he could either investigate or contradict the information so that all of us can be absolved.

SHRI RAMANAND YADAV: Otherwise it is an aspersion on all of us.

SHRIMATI MONIKA DAS (Karnataka): I think he should give the name. Otherwise, how can the Finance Minister investigate?

SHRI RAMANAND YADAV: I will request you to go through the proceedings. He has got the name and he said he would give it if the House wanted it. Otherwise he will not give it.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Mr. Kulkarni said that he knows the name, but it is not the convention in the House to give it.

SHRI RAMANAND YADAV: You kindly go through the proceedings.

[Shri Ramanand Yadav]

Now, all the Members are blamed for the act of one person.

SHRI SADASHIV BAGAITKAR: My submission is that last week the newspapers reported that a yogi—flying yogi—went to the States and brought spare parts for the aircraft. . .

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): I will not allow you to say that. How does it arise as far as this is concerned? I am sorry. How does it arise as far as this point of order is concerned.

SHRI J. K. JAIN (Madhya Pradesh): Please expunge what Mr. Bagaitkar has said.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): You please sit down. Mr. Kulkarni mentioned something about a Member and the Finance Minister said that unless the name was given, he could not do anything. On that Mr. Bhupesh Gupta raised a point of order and asked why the Finance Minister should insist on the name when the information was brought to his notice and why he should not investigate and enquire into it.

SHRI SADASHIV BAGAITKAR: Then I raised the point . . .

THE VICE-CHAIRMAN: (DR. RAFIQ ZAKARIA): No.

SHRI SADASHIV BAGAITKAR: You kindly listen.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): You are bringing in yogi, aeroplane and spare parts. How can I advice you to raise that?

SHRI SADASHIV BAGAITKAR: What Mr. Bhupesh Gupta said was that the newspapers do not give names. They merely hint at something. The hon. Finance Minister has the whole investigating machinery at his disposal. This person, when he brought spare parts, was asked to give Rs. 1 lakh or re-export it. It was

re-exported and it came through a neighbouring country. When this is the case, why should we name anybody? It is for the Finance Minister to use his machinery and investigate it.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): I think we have had enough. It is a storm in a tea cup. He said something about a Member. The Finance Minister wanted the name. Anyway, when it has been brought to his notice. It is for him now.

SHRI M. KALYANASUNDARAM (Tamil Nadu): Will he investigate?

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): After having heard various Members on this I am sure he will take appropriate action in the matter.

SHRI ARVIND GANESH KULKARNI: I thank you for correctly interpreting what I wanted to say. Again for the information of the Finance Minister and just to help him, this incident took place between January and February 1981. He can enquire from the Customs or check up from the Palam Airport register. I do not want to take the name because he is a colleague of ours as an hon. Member of Parliament.

SHRI RAMANAND YADAV: Sir, again I says that. Then, give us the name. (Interruptions). Give us the name, Mr. Kulkarni. Sir, now he has been caught.

SHRI SHIVA CHANDRA JHA: Sir, on a point of order.

SHRI RAMANAND YADAV: Sir, he has been caught now. (Interruptions)

SHRIMATI MONIKA DAS: Mr. Kulkarni, either you give us the name or you please sit down (Interruptions) You please sit down or tell us the name.

SHRI RAMANAND YADAV: Now he has been caught (Interruptions)

श्री शिव चन्द्र झा : पहली बात तो यह है कि आपने अपनी रुलिंग दे दी है इसलिये इस पर कुछ बोलना आपकी रुलिंग के खिलाफ जाना है। आपने अपना फैसला दे दिया है, उन्होंने बातें रख दी हैं और क्लयु भी दे दिया है अब मंत्री जी का काम है वे पता लगावें और कार्यवाही करें। बहुत अच्छा है। अब दूसरा यह कहूंगा कि... (व्यवधान)

उपसभाध्यक्ष (डा० रफीक जकरीया) : देखिये, मैंने यह जब कहा तब मुझे ऐसा लग रहा था कि कुलकर्णी साहब के पास नाम नहीं है और जब मैंने इस तरह का इंटरप्रिटेशन किया था तो उन्होंने उस वक्त आब्जेक्ट भी किया था। अब ऐसा लगता है कि कुलकर्णी साहब कहते हैं कि नाम मेरे पास है। ... (व्यवधान) मेरा दूसरा प्वाइंट कहां हुआ है... (व्यवधान)

SHRI ARVIND GANESH KULKARNI: Let me again point out, Sir, . . .

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): That is why Mr. Yadav is objecting.

SHRI ARVIND GANESH KULKARNI: Sir, let me correctly say what you have correctly interpreted. I will interpret myself. I read the Press report only. Then the name was probably mentioned in the Central Hall. You know, many people talk many things in the Central Hall. If I go on taking the name of somebody about which I am myself not sure, that is not correct. But, Sir, about the period, I am sure and I am sure that is sometime between January and February. Perhaps, Sir, many Members also might be knowing the name because they are also sitting in the Central Hall. I do not know whether you have heard that or not. Anyway, let us come to the basic

point. Political corruption at all levels has become a menace in this country and the bureaucracy also...

SHRI BHUPESH GUPTA: To which House does that Member belong?

SHRI ARVIND GANESH KULKARNI: That I do not know. (Interruptions) I do not know about that. But people say so many things and some say that he is in the other House and some others say that he is in this House. I do not know. (Interruptions)

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Let us stop at that. Mr. Kulkarni has made it very clear that he has heard of the person, but he says he is not sure. Therefore, it is in the fitness of things that he does not mention it.

SHRIMATI MONIKA DAS: Sir, I have to make a point. (Interruptions) He says that he has heard about the person. Let him tell the name. (Interruptions)

SHRI NARSINGH NARAIN PANDEY (Uttar Pradesh): Sir, on a point of order. (Interruptions)

SHRIMATI MANIKA DAS: Sir, if he cannot give the name, I want to know why he raised this at all. (Interruptions) I want to ask him why he raised this issue at all.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): I am not able to understand this. He says that a certain item has appeared in the Press and he has drawn the attention of the Finance Minister to it and he has asked him to tell us whether it is true or not, whether he would investigate into the matter. He says that he has some knowledge of who has done that and the whole controversy has arisen out of that. Now he has made it clear that it was in the Central Hall that the name was mentioned, but he is not sure of that. Therefore, if he is not sure of it, we should not insist that he should mention the name. On a mere suspicion to mention a name would be a wrong thing. (Interruptions)

SHRIMATI MONIKA DAS: Sir, I want to make a point. (*Interruptions*)

SHRI NARSINGH NARAIN PANDEY: Sir, on a point of order. (*Interruptions*)

SHRI MURLIDHAR CHANDRAKANT BHANDARE: Sir, on a point of order.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Yes, Mr. Bhandare. I think we have taken about half-an-hour.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: Sir, what has been stated by the honourable Member, Shri Kulkarni, seems to be this that a Member of Parliament tried to clear himself through the green channel and he was not allowed and the Customs officials stopped him and made him declare what he had brought and they charged duty for that. I think, Sir, from what has been said here, there is nothing in that for any investigation to be conducted by the Finance Minister. Those Customs officials should be congratulated because it should not be taken for granted even by the Members of Parliament that they can get away. (*Interruptions*)

SHRI SADASHIV BAGAITKAR: Sir, he is wrong on facts. (*Interruptions*)

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): I don't think, Mr. Bhandare, what you said is correct. What Mr. Kulkarni said is that he made a certain declaration which was not correct. (*Interruptions*)...

SHRI MURLIDHAR CHANDRAKANT BHANDARE: He said that he tried to go through the green channel.

SHRI NARASINGHA PRASAD NANDA: He made a declaration which was found to be totally false.

SHRI SADASHIV BAGAITKAR: He said that he had nothing to declare. But, later on, the Customs officer asked him and found out that he had something to declare. (*In-*

*terruptions*) He made an untruthful declaration. (*Interruptions*)

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Mr. Bagaitkar, how many times would you speak?

SHRI SADASHIV BAGAITKAR: Mr. Bhandare also spoke.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): But he spoke only one sentence.

श्री शिव चन्द्र झा : उपसभाध्यक्ष महोदय, यहां के सदस्य जब कोई बात उठाते हैं... (*व्यवधान*) वे जिम्मेदार सदस्य होते हैं तो वह बात प्रोबेबल हो सकती है, संभावना हो सकती है कि सही न हो लेकिन चूंकि यहां बात उठ जाती है तो सरकार की जिम्मेदारी हां जाती है कि उसमें कहां तक तथ्य है उसके पीछे जाये। ये नाम न भी बनायें, इनका बताना जरूरी नहीं है। एक इस लिए सीक्रेसी की बात ऐसी है... (*व्यवधान*)

आप लोक सभा के सदस्य रहे हैं, या नहीं मैं नहीं जानता हूं लेकिन लोक सभा में यह बात उठी थी कि मिक कोर्ट के लिए... (*व्यवधान*)

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): I won't allow these irrelevant things.

श्री शिव चन्द्र झा : वह बात उठी तो... (*व्यवधान*) अखबार वालों से पूछा गया कि कहां से आपको मालूम हुआ। सदन में उन्होंने कहा कि... (*व्यवधान*)

उपसभाध्यक्ष (डा० रफीक जकरीय) : झा साहब अब आप मेहरबानी करके बैठ जाइये, इसका इससे कोई संबंध नहीं है और... (*व्यवधान*)

श्री शिव चन्द्र झा : बात हुई उसमें और सरकार ने उसमें कहा कि इसमें कोई तथ्य नहीं है उस आदमी ने, सदस्य ने नाम नहीं बताया, लेकिन सरकार ने जांच की, मिक

कोट और नेकेस के बारे में सरकार की तरफ से बयान आया, जनता के सामने कुछ स्पष्टीकरण भी हुआ था। इसीलिए खासकर यह अखबार में दें, स्पष्टीकरण करें।

**संप्रदोय कार्य विभाग में राज्य मंत्री (श्री सीताराम केसरी) :** मुझे निवेदन करना है। मेरा आपसे यह निवेदन है कि जब कि तकरीर हो रही है माननीय सदस्य की ओर से प्वाइंट आफ ऑर्डर लेकर सदन के समय को, मेरे विचार से, बरबाद किया जाता है, इसलिए मैं आपसे निवेदन करूंगा कि जिस दल को जिनता समय निश्चित है, उतना समय उनको जरूर मिलना चाहिए और उसी के हिसाब से, मेरा आपसे निवेदन है कि सदन अगर संचालित नहीं होगा तो फिर लेट हो जायेगा। इसलिए मेरा आपसे निवेदन है कि इस चीज को अग्रनाईये।

**श्री शिव चन्द्र झा :** लेट हो जायेंगे, तो क्या होगा।

**श्री सीताराम केसरी :** सुनिये, एक व्यक्ति के चलते, आदरणीय शिव चन्द्र झा जी के चलते, सारे सदन के लोगों पर बोझ नहीं पड़ना चाहिए यह मेरा निवेदन है कि जिद्द करके कोई बात कहना चाहते हैं तो यह बात गलत है।

**SHRI ARVIND GANESH KULKARNI:** Now, I am coming to the conclusion. I was hammering on a point....

**SHRI BHUPESH GUPTA:** I think better give the name. I give the name. I have heard it only. It has been communicated to me. It is\*\*\* I do not know whether it is true or not.

(Interruptions)

**SHRI ARVIND GANESH KULKARNI:** I do not want to commit anything. (Interruptions)

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**SHRI BHUPESH GUPTA:** I am not saying anything. This is what has been communicated to me. Since hon. Members are very much interested in the holy name, according to my information, right or wrong, it is\*\*\*. (Interruptions)

**THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA):** Mr. Bhupesh Gupta, without verifying... (Interruptions)

**श्री जे० के० जैन :** भूपेश गुप्ता जी ने जो कहा है, वह बिल्कुल गलत बात है। इस तरह से एक सदस्य को अपमानित करने का दुस्साहम किया है, वह बिल्कुल बर्दाश्त नहीं किया जायेगा। आप इसको प्रोसीडिंग से निकलवाइये।

**THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA):** Mr. Bhupesh Gupta, is it fair and proper on your part to mention... (Interruptions) Whatever the provocation about mentioning the name, Mr. Kulkarni has rightly said that he has no personal or authentic information in his possession and, therefore, it would not be right and proper on his part to mention the name. Now, you sort of intervened and...

**SHRI BHUPESH GUPTA:** Now you are accusing me. (Interruptions)

**THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA):** You intervened, Mr. Gupta

**SHRI BHUPESH GUPTA:** I am not vouching for anything. What my friend. Mr. Kulkarni was saying... (Interruptions)

**THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA):** You said that Mr. Kulkarni gave that name to you. (Interruptions)

**SHRI BHUPESH GUPTA:** Insistence was there. A Member has the right to give the name or not to give the name.

**THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA):** Mr. Gupta, he has exercised his right. (Interruptions)

SHRI BHUPESH GUPTA: I do not know anything at all about it. (*Interruptions*) The name has been communicated to me. (*Interruptions*)

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Mr. Gupta, Mr. Kulkarni despite all the provocations refused to give the name by saying that he has no authentic or personal information. You said something, also on the same basis. (*Interruptions*) He might have mentioned this name. (*Interruptions*)

SHRI R. VENKATARAMAN: Two points arise out of Mr. Bhupesh Gupta's statement. Firstly, he is making a reference to a Member of the other House which, by convention, we do not do unless a Member takes personal responsibility for certain allegations against another Member.

(*Interruptions*)

SHRI M. KALYANASUNDARAM: He is saying what is reported in the press.

SHRI R. VENKATARAMAN: You cannot say what is reported in the press. It is a very serious allegation and a Member should not say it unless he is satisfied that the information which he is giving is absolutely correct. For the sake of good relationship between the two Houses, I would request that these words should be withdrawn.

SHRI BHUPESH GUPTA: I am very glad. Now you see the logic of it. When I suggested that it should not be insisted on, it was not considered enough. It is all right now. As far as I am concerned, I have said it because our friends were insisting. I have no knowledge of anything except that it has been communicated to me. Right or wrong, you better find out. It may be absolutely wrong. I said it to end the controversy. In fact, they should not have insisted on Mr. Kulkarni giving the name.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): I think the ends of justice would be met if the name given by Mr. Bhupesh Gupta is not

taken on record. As far as this aspect is concerned, the name of the Member from the other House should be expunged. This is all right.

SHRI BHUPESH GUPTA: That cannot be done. You can ask me to withdraw it. I have not said anything against him.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): It is a very serious allegation.

SHRI BHUPESH GUPTA: It is nothing serious. The hon. Members wanted it. Now you cannot expunge it. Under what rule are you expunging it? You cannot do it. It is not that I like to give that name. I knew it before also.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): You have yourself said that you have no personal knowledge about it. You said that because the other side had insisted on the name being given and since this controversy was being prolonged and in order to end it you said, "All right, this is the name I have heard, right or wrong."

SHRI BHUPESH GUPTA: Let the other side admit that their demand was not correct and I will withdraw it. I have no objection. Admit your mistake and I shall gladly withdraw that name. I have no interest in it.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): I am sorry. Even if you withdraw, the matter will go to the press. I think you do not want to make any allegation about which you yourself are not sure. It is in fairness...

SHRI BHUPESH GUPTA: I did it only to put it to the House how my stand is vindicated. Do as you please. I have nothing against anybody.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: It is a matter of principle. (*Interruptions*) I am saying about the propriety of what the Chair has said and what the hon. Member, Shri Bhupesh Gupta, has said. Is it a tradition or convention of this House that you trot out

charges against anybody without adequate foundation and without any basis? Is it expected of the Members of this House to do that? I think it is a very serious thing. Just because our proceedings are privileged, just because we are immune to many other things, I do not think that we should be irresponsible in making a statement...

SHRI BHUPESH GUPTA: Sir, that is not fair.

SHRI MURLIDHAR CHANDRAKANT BHANDARE ...unless we have a *prima facie* foundation, unless we have a *prima facie* case in support of the charge we make.

SHRI BHUPESH GUPTA: Sir I am very sorry. I could understand it if I had made any charge. Have I made any charge against anyone? I have not said anything. Even now under provocation, I would not say anything.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): How can you that?

SHRI BHUPESH GUPTA: You wanted a particular name.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): How can you say that it is not a charge? You are mentioning the name of a Member. (Interruptions) No, no, tomorrow it comes in the press. (Interruptions) Let us at least be responsible when we are making a charge.

SHRI BHUPESH GUPTA: Mr. Vice-Chairman, you will understand that I did not say anything. I only said I am not making any charge. When I say I am not making any charge, is that not enough?

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): You said, this is the name which you mentioned.

SHRI BHUPESH GUPTA: Some Members wanted the name. The debate was interrupted. I said, "why continue this thing, well, the name, according to my information, is this". He has got it. Let him deny that

name, I will withdraw it. Even there I said, we should not give the name. I stand by it. I did not quarrel with Mr. Venkataraman when I said, "You can find out on your own if anything is there". The matter ended. But then Sir, many other things have come in. My friend said about decorum and all those things. That is all right. But I have not made any charge, to begin with. How do I know anything? I know what he knows. I know what he knows. My charge is against Mr. Kulkarni. Why he was not divulging it? My charge is against Mr. Kulkarni.

SHRI ARVIND GANESH KULKARNI: Sir, I am on a point of order. To an extent, it is in the interest of the entire House. For heaven's sake don't disturb me. I am on a point of order to keep the record straight and to see that the conventions of the House are upheld. Hon'ble Shri Bhandare made a suggestion to you. You have not reached to that. Naturally so, because he never asked your opinion. But, Sir, you as Vice-Chairman know and everybody in this House knows that in the matter of taking of names etc. this House has different conventions that there in the Lok Sabha. Sir, we also know that when our friends who are now adorning those benches were here, they were freely indulging in naming Shri Kanti Desai and Smt. Padma Desai. The hon'ble Deputy Leader of that Party made charges here. I do not know whether Shri Kanti Desai and Mrs. Padma Desai were Members of this House. Sir, in Sanskrit, they say:

तेव्हा राई कुडे गेला हंला तुझा धर्म

This goes on record. Mr. Bhandare is a new comer. We will also brief him. We will try to give him the lessons also and Mr. Bhandare will also join us some day. If you come to this side, you will also remember that 'dharma'. But now at present you are on the wrong foot. So for heaven's sake, keep the record straight.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): The point that Mr. Kulkarni has raised is

[DR. RAFIQ ZAKARIA]

a little different from the point we are discussing at present. When Mr. Salve moved his Motion and certain names were mentioned, he authenticated it by press cuttings and other documents and he said that these were the allegations. In this case, Mr. Kulkarni, you yourself have said that neither in the press the name is given nor you have any knowledge on the basis of which you can mention the name. You made it repeatedly clear that some name ...

SHRI ARVIND GANESH KULKARNI: I have not mentioned it. I am not responsible for this.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Therefore, you said that some name might be mentioned in the Central Hall but I am not going to mention it. Now, when this is the basis and Mr. Gupta is saying that he is being provoked by the other side ...

SHRI BHUPESH GUPTA: Not provoked. I have not used the word "provoked." I have been persuaded by the other side.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): That is my interpretation, that Mr. Gupta says that since the other side is insisting on mentioning the name ... I do not know. You see, you are very careful. You have said, "I do not know whether it is true or not. I have no knowledge. But this is the name." Now, in such circumstances, should the name be allowed to go on record? (Interruptions) That is entirely different, for instance, if you had said, "I have the information; here is the press cutting; here are the documents and on the basis of that ..." Here the situation is different. Even Mr. Gupta who gave the name takes no responsibility at all.

SHRI P. RAMAMURTI: He asked you to do what you like.

SHRI BHUPESH GUPTA: I only said what is in Mr. Kulkarni's mind.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Mr. Kulkarni

says, "Nothing is in my mind." He said it repeatedly.

SHRI BHUPESH GUPTA: If he says it, I stand corrected. My inner voice has told me that Mr. Kulkarni has this name in mind. If he has not that in mind, the whole thing falls through.

(Interruptions)

SHRI NARASINGHA PRASAD NANDA: I will make a very simple submission. Sir, you kindly permit me to make a submission.

SHRI J. K. JAIN: No permission now. Ask him to sit down. What is this going on? (Interruptions)

SHRI SADASHIV BAGAITKAR: Sir, he is not in his seat. Then how can he address you? You ask him to go to his seat and then say something.

SHRI R. VENKATARAMAN: The Chair has given a ruling.

SHRI J. K. JAIN: Sir, I request you not to allow anybody else to speak. Ask Mr. Kulkarni to resume his speech now. They have wasted enough time. Please, for God's sake, ask him to speak now. Don't allow these people. Ask Mr. Kulkarni.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Mr. Jain, I am not a dictator.

SHRI R. VENKATARAMAN: Sir, you have given a ruling. Therefore, we have to proceed.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): That is what I say. Let us proceed further. Mr. Nanda, I think we have more than settled the issue.

SHRI NARASINGHA PRASAD NANDA: Sir, you know, that I will not say anything irrelevant.

श्री सीताराम केरी : उनका बहुत बड़ा माइड है, फिर लड़ाई छिड़ेगी । . . .  
(व्यवधान)

SHRI NARASINGHA PRASAD NANDA: Mr. Kulkarni did not reveal the name in spite of provocation.

SHRI J. K. JAIN: Again he is saying. What is this?

SHRI NARASINGHA PRASAD NANDA: The trouble arose because the hon. Finance Minister says that unless the name is there and a specific allegation is made and if it is put in a general way you will be helpless. Let the Finance Minister assure that with the information available to him now, whatever be the record ...

(Interruptions)

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): I have already said it from the Chair. Now let Mr. Kulkarni speak.

SHRI P. RAMAMURTI: Let us proceed.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Mr. Kulkarni, please finish in five minutes.

SHRI BHUPESH GUPTA: Sir, this is too minor a thing, anyhow. Many MPs do so many things. Why bother about it now? Proceed with it.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): I am glad. You also, I think, should withdraw what you have said.

SHRI BHUPESH GUPTA: Yes, yes.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): It is also withdrawn and it is also expunged. Now, Mr. Kulkarni.

SHRI ARVIND GANESH KULKARNI: Now the problem is, I was mentioning actually ...

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Don't go into it.

SHRI ARVIND GANESH KULKARNI: I don't want to go into it. I read it in the press and in the Central Hall ...

(Interruptions)

Now the last point is, I am only inviting the attention of the hon. Finance Minister and I wish him good luck with the Bearer Bonds Scheme. If he is going to get Rs. 1,000 crores, I will be very happy because then

there will be no taxation and no inflation in this country. I for one would say this is a pragmatic scheme but I only suggested to him that instead of making it such a highly immoralised scheme if he would have straightway taken 40 per cent of tax and regularised the money, according to our Indian culture we would have been more satisfied. But, leave that aside. Now I am coming to the point of political corruption, bureaucratic corruption and the industrial corruption. I gave you two or three examples. I gave the periods also. It is for the Finance Minister now to enquire. There is another thing I want to say. I know there are very good friends of mine on that side. But I would say: for Heaven's sake, stop the green channel business. Every Member of Parliament must be subjected to the law of the land. I oppose the green channel system. It is on account of that that watches and video tapes and all these things get smuggled even aeroplanes. Stop that green channel business. I am opposed to that. I think Mr. Venkataraman will at least assure us, as a pious man, and he will uphold my objection to the circular which has been issued by his Ministry.

The last point I want to make is that such type of corruption is taking place. Some people are arrested etc. Let it go on. Then, Sir, Mr. Katroti of Snamproggetti was mentioned in the CBI report. It is being hushed up and other people are being arrested, tortured, everything is going on. So I think, Mr. Finance Minister, for your expectation of Rs. 1000 crores, I should wish you good luck. I think it is a way of taking out money. But we all, from the Treasury Benches and the Opposition and the politicians in general should uphold what the Prime Minister said yesterday that corruption is the menace in this country which must be stopped. I think the Prime Minister will remember this lesson and ask her own party people and we will ask our own party people to abstain from such corrupt practices, which are demoralizing

[Shri Arvind Ganesh Kulkarni]

this country, as a result of which the values have come down.

Thank you.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: Mr. Vice-Chairman, Sir, it is with mixed feelings that I rise to speak on this Bill. This is the fifth voluntary disclosure scheme which has been brought forward to unearth black money. There is a slight difference between this and the earlier schemes: and that is, here the disclosure remains anonymous. The previous four voluntary disclosure schemes have been the concessional schemes for payment of arrears and voluntary disclosure of 1951, the voluntary declaration of undisclosed income scheme, vide Finance Act 1 of 1965, the voluntary disclosure scheme, vide Finance Act 2 of 1965, and the voluntary disclosure scheme of wealth of 1975. All these voluntary disclosure schemes have substantially failed. Now the first scheme brought in an additional revenue of Rs. 10.80 crores; the second scheme netted a revenue of Rs. 30.80 crores; and the third scheme yielded a bare Rs. 12.28 crores; and, more recently, that is in 1975, the last disclosure scheme yielded only Rs. 248.7 crores by way of income and wealth tax. In spite of this experience, the Finance Minister has come out with the present scheme. We will go into the rationale of this scheme a little later, but it may be profitable to go into the experience also of de-monetization of 1978. As explained by the Finance Minister only last week in this House, out of 145 crores of notes of Rs. 1,000 and above in circulation, 124 came to be accounted, leaving barely Rs. 29 crores going out of circulation without any explanation. This also is not a very encouraging result. And, in spite of this position, the Finance Minister has brought forward this scheme. I remember when I spoke last on the Finance Bill, I appealed to him not to come up with any dis-

closure scheme and then he seemed to have agreed, but now he has come up with this scheme. We will go into the compulsions a little later. But I think this is an appropriate occasion to go into the whole question of black money because what I feel is, while we welcome this because this is one step in the direction of eradication of black money in our country, we must go in depth into the various causes for the generation of this black money and to invite the Government to take steps in the right direction so that there is an integrated approach for doing away with the evil of black money. Nobody can minimise the pernicious effect of this black money. It is a cancer which is eating into the system, political, social and economic, of our country, and no effort can be minimised for its eradication. I think the main reasons for the proliferation of the black money are well known.

Sir, why I want to emphasis on this aspect is this. This, at best, is a half-hearted measure because it does not deal with the generation or operation of the black money. What it tries to do is to take a part of it from the accumulated pool, and the expectation of the learned Finance Minister is that it would be only Rs. 1000 crores. Therefore, Sir, we should not miss this opportunity to tell the Government, particularly the Finance Minister, what the nation is expecting this Government to do in the matter of finance, in the matter of eradication, in the matter of unearthing, in the matter of removing, this cancer partially, which is because it cannot be removed it exists in all the countries, it exists everywhere, but not to the extent, not in the proportion and in the gigantic dimensions in which it exists in our country today.

Sir, we will briefly go into the causes for this. The first and foremost cause is the controls. I am not one who will say that the controls should be removed. But kindly see what has happened. There are two

sources of the black money. One is the illegal transaction, that is, when you pay Rs. 100 for a bag of cement costing Rs. 26, and the other source is where the income derived is a legal one but not disclosed, and, therefore, it converts itself into black money, like the income of a lawyer or the income of a doctor who after earning money do not pay taxes honestly. It is legal. It is honestly earned, but it becomes illegal by non-disclosure. Now it is well known that it is the first category, namely, the illegal transactions like taking *pugrees* for letting out, so on and so forth, which result in accumulation. That is the major part, and it must be dealt with firmly.

About the controls, Mahatma Gandhi said as early as in 1947:

"Controls give rise to fraud, suppression and proliferation and intensification of black money and to artificial scarcity."

I have said that in our society where we have our constraints, the controls are necessary. But a strict watch has to be kept to see that these controls are not unnecessarily imposed. We also know the areas in which the black money is generated. Take for instance the case of a commodity like steel. I am happy that the Minister of Steel is here. Every year the estimated black money generated on account of the sale of steel is about Rs. 400 crores. The other commodities are cement, paper, fertilizer, vanaspati, so on and so forth. The film industry is another industry where the generation of the black money is Rs. 100 crores. That is so far as the illegal transactions are concerned. I think a very rational, a very realistic, policy has to be pursued and followed to see that the scarcities are removed because I think what is necessary at this stage, and one of the measures which is required to be taken, is to plan for plenty. I am glad that our Government has come out with an ambitious Plan for Rs. 97,500 crores providing for adequate growth. And I think

that the Finance Minister is taking steps in the right direction for generation of growth, which is so vital, so necessary at this present juncture. Therefore, I would like the Government to intensify all its efforts for the removal of these scarcities, for production of essential commodities like steel, cement, paper and Vanaspati so that the demand is adequately met and the industrialists and traders, who have learnt to live on scarcities, are discouraged.

The second aspect of the matter is with regard to the gains legally brought in but which escape taxation because of non-disclosure. Everybody has said about the main reason for this. They say that the high rate of taxation is the real cause for the people not disclosing correctly their incomes. I must say that the Government has realised this, last year it brought down the rate of taxation considerably. This year it has gone further in that direction and exempted altogether from taxation persons earning up to Rs. 15,000 per year. And the benefit is so given that persons earning Rs. 24,000 per year will get a substantial benefit or will not have to pay tax at all. Now this is a welcome step—on the one hand, to reduce the burden of taxation, to make it easier for the middle class to live in these days of very high inflation and, on the other, to keep on promising that if the economy behaves, we will further reduce the taxation. I am merely pointing out that the Government is taking an integrated approach to this problem of black money. There are financial constraints and overnight rates cannot be brought down. But I was glad to note the announcement of the hon. Finance Minister in the other House that if the economy behaves, he will bring down the personal taxation to the level of 60 per cent. and he will also bring down the corporate taxation to the level of 50 per cent. Now, what I am saying is that Government means to tackle this problem of black money in all seriousness, in all earnestness, and

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serious threat to the national  
economy."

that is why the speech of the hon. Prime Minister about corruption, which is reported in today's newspapers, becomes all the more significant, because the greatest harm that black money does is that it really causes no hurt to the person, who possesses black money but it only hurts the poor, it only hurts the honest. Secondly, it tends to make honest people dishonest and dishonest people more dishonest. And thirdly, it is the main cause, the root cause of corruption in our society. Therefore, if we have to eradicate corruption from our society, we have really to strike at the root or at the seed of that evil, and that is black money. I am glad that the Government is determined to take action which will see that its generation, growth and proliferation is not further accentuated. But I will request the Government to take these steps very firmly and very quickly because this is like cancer which grows out of control without your knowledge, and one has to be very firm about it.

Sir, the main reason for this Bill can be explained by what Dr. Lakdawala, former Vice-Chairman of the Planning Commission, has said:

"If for some reason or the other, our administrative competence and law enforcement machinery cannot cope with this task, namely, ensure that the tax-evader does not go scot-free, there may be some advantage in taking steps which will make this black money come into the open so that it does not hang like the Sword of Damocles on the economy. Seeking non-priority channels of investment, the Special Bond scheme may be regarded as a step in this direction."

Several things have been said and even the preamble to the Bill says:

"... for effective economic and social planning it is necessary to canalise for productive purposes black money which has become a

Now I must say that when you take steps for an operation that is quite necessary, nobody is happy with an operation, everybody wants to avoid an operation. But it becomes necessary. One cannot avoid it when an operation is necessary. Likewise this unearthing of black money has become very, very necessary. I do not think even our Government is happy to come out with a scheme like this. When other measures fail, when our administrative measures fail, and they are not commensurate with the results that are expected, they don't match up to the goal which we have set for ourselves, it becomes necessary to take steps whereby the goal is reached. And to that extent, as an expediency, to that extent, as a measure to bring this money which would otherwise go into wasteful channels, to bring into the mainstream of our economy, an expression which has been loosely used by the Finance Minister, to liquidate that which plays havoc, to reduce to that extent that black money or to liquidate that, I think, this measure is welcome. I have no doubt that this measure will be backed up by other measures. And I would like to suggest one or two.

Nothing can be done unless we take a very serious look at our election law. We know that the minimum electorate for a parliamentary constituency is five lakh voters. Even on the basis that to approach one voter it would cost one rupee if we were to send one circular to each voter—for printing a pamphlet, posting it and all that—assuming that only one rupee minimum expenditure would be needed to reach each voter, we require Rs. 5 lakhs to cover the entire constituency—that is the minimum—and we have an election law which prescribes a limit of only Rs. 35,000 on election expenditure of each candidate. But that is circumvented by saying that the party

can spend as much as you like. Now a stage has come when people believe that corruption finds its root at the time of the election. So kindly look into your election law carefully and kindly consider one thing: The question of public funding of the election propaganda machinery. For each candidate there are certain difficulties. We may have another occasion to deal with this. But there are certain difficulties because of the large number of individual candidates coming in. There should be difficulty as long as the candidates are backed up by recognised parties. Therefore, I would request the Government to take a very careful look at the measures they would like to adopt.

The next question to which I would invite the attention of this House on this occasion and particularly of the Finance Minister is the miserable failure of the Government in effecting stern measures against tax dodgers, smugglers, all those anti-social elements. I have here the figures given by the honourable Minister of Finance on 3-3-1981—two weeks before—in reply to a Starred Question that I had put. The reply he gave makes a dismal reading. It shows as if the entire machinery responsible for effecting raids, searches and seizures is just not working. In the film industry which alone contributes a hundred crores of rupees every year to the black money, the black money unearthed, according to the figures given by the honourable Minister of Finance, is only Rs. 5 lakhs. I will tell you why this happens. There are two things . . .

SHRI SYED SHAHABUDDIN (Bihar): It is in the same proportion as the output of this black bonds scheme.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: I will come to that a little later.

This happens because everybody whose house is going to be raided,

gets an advance intimation forty hours or fortyeight hours before the raid that his house is going to be raided at such and such time, so that he can organise his things in a manner that nothing will be found on actual search, or, if something is found, it will only be an eyewash. Therefore, I want the Government to see that its whole machinery is entirely overhauled or entirely changed so that effective measures are taken, so that raids are conducted effectively, that they are conducted in total secrecy and the result expected are achieved. Secondly, social attitudes have changed. Formerly, if a person's house was raided, others would condemn him. Today people are inviting raids so that word will go round that they are wealthy people. This is how social attitudes have changed. That is also due to the manner in which raids are conducted.

Thirdly, there is another reason. I read various judgments of the Supreme Court and various pamphlets also come to me as a Member of Parliament. From these I find that there is total demoralisation among the income-tax officers because of the class war that has been going on among them, between Class I and Class II officers. Some Officers say that they do not get justice, they do not have promotional avenues and they get a raw deal in the matter of service conditions. Others also say the same thing. The result is that both have lost all interest in their work. They are always seen on the corridors of their offices. If there is any imbalance in their service conditions, I would request the Finance Minister to look into it and take a firm decision once and for all so that they can thereafter do their job well without wasting their time. Reward experience and talents. Simply because somebody does well in the beginning of his career, should he get all benefits even though his subsequent performance has not been good? Unless you take some firm step and restore normalcy in the services

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you are not going to achieve the results.

The other thing which I want to bring to the notice of the House is how far these special bearer bonds will be effective. In order to find out that, one has really to find out what are the estimates of this black money. The estimate varies. Some people put it at Rs. 25,000 crores. This was the point raised by hon. Shri Shahabuddin. Dr. Rangnekar has given a formula of working out that figure and according to that formula it will be around Rs. 7,500 crores. I am inclined to put it at 10 per cent of the national income which is one lakh and ten thousand crores of rupees. Ten per cent of that will come to Rs. 10,000 to Rs. 11,000 crores. Unless we know the evil we have to fight, unless we know the giant have to kill. I think we will never be going anywhere near the solution of the problem. It is in this context that I personally believe that it would be very necessary for this Government to tackle this problem of enormous black money of Rs. 10,000 crores. The expectation is that only Rs. 1,000 crores will be netted in. I am very doubtful because of two reasons. One is that the matter is before the court of law. I do not want to give opinion. But I do feel that the Government may succeed because it is a different colour and it has a different purpose altogether. It will be appreciated that this is the first time that the Government is introducing a third shade of colour, which is neither white nor black. You may call it grey money. You can convert it into white or black, whenever you like . . .

SHRI BHUPESH GUPTA: Which colour?

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): He does not want it to be called red.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: I said grey money. What distresses me is that

these bonds are open to subscription till 30th April. I do not think that the Supreme Court is in a position to hear that matter till now. And, Sir, the honourable Chief Justice has already said, while admitting the matter, that no wise man will buy the Bonds when the matter is pending in the Court. Therefore, there is no chance of its being heard before the 30th of April and even if it is heard before the 30th of April, you know, what happens in the Supreme Court. A baby is delivered in nine months, but the courts are not delivering the judgments in nine months at all. Therefore, I am really worried that he will not get a decision on this point till the whole of the fiscal year is out.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Then what do you do in the Supreme Court?

SHRI MURLIDHAR CHANDRAKANT BHANDARE: We only argue and we wait for the judgment.

SHRI N. K. P. SALVE: And collect the fees in the meantime.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): You cannot do anything? You are so powerless?

SHRI MURLIDHAR CHANDRAKANT BHANDARE: I can tell you that in the anticipatory bail case which we argued, the judgment came after 19 months, after the entire threat of arrest had receded, because we won the elections. We argued it in July 1978 and the judgment came in March 1980. Therefore, one thing I would like to tell you: If this is suitably amended—I do not know whether the honourable Minister is thinking of extending the date—and if he extends the date and if he succeeds in the Court, then I can expect that there will be a big spurt and it will act as an encouragement and it will be more than a thousand crores that will be netted in and this is the forecast that I am making now and, Sir, I hope that my friends will put in their white money in these Bearer Bonds. This is a tip which I want to give to my friends.

श्री लाडली मोहन निगम (मध्य प्रदेश) :  
 आप भी कुछ लेने वाले है ?

SHRI MURLIDHAR CHANDRA-KANT BHANDARE: I will buy two Bonds, one for me and another for my wife.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): No direct communication between Members, please. Mr. Bhandare, please address me and conclude.

SHRI MURLIDHAR CHANDRA-KANT BHANDARE: Now, Sir, before I sit down I can only say this: The honourable Finance Minister has said that it is better to have loved and lost rather than not to have loved at all.

SHRI BHUPESH GUPTA: You said that you would buy two Bonds.

SHRI MURLIDHAR CHANDRA-KANT BHANDARE: Yes. One with my wife's white money and one for myself with my money, because I do not have black money. One for myself I want and one for her, because I want to be equally rich. Now, Sir, the point that I am making is this: I am reminded of one thing.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Don't go on answering Mr. Bhupesh Gupta and don't get interrupted, because neither has he loved nor has he lost.

SHRI BHUPESH GUPTA: Sir, he was remembering his wife and in order to enlighten the debate, I interrupted him.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): On a matter on which you know nothing.

SHRI BHUPESH GUPTA: As if you know anything.

SHRI MURLIDHAR CHANDRA-KANT BHANDARE: Sir, the Finance Minister has said that. But the worst part will be when one gets lost with-

out making love. But I wonder whether one can get lost without making love.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Oh, I see. This is what has happened to Mr. Bhupesh Gupta.

SHRI MURLIDHAR CHANDRA-KANT BHANDARE: What is worse is this—I would use the expression used by the honourable Mover of this Resolution, Shri Shiva Chandra Jha; he has used the word "failing"—failing while making love. That is worse. But the point that I am making is this: I am reminded of a husband who, after a very unsuccessful first marriage, married for the second time and everybody went on asking him as to why he married again when the first marriage had proved to be a failure and he said: "This is a case where hope has triumphed over experience." I hope, Sir, that the task is not bad for the Finance Minister. I do feel that this is a very honest effort on his part, honest and brave, and I will make only one point. There is no question of any morality when law comes in and I would give you an example. I know of a case in which a Hindu widow adopted her paramour as her son which was permissible and the argument which was made before the Privy Council in those days was: "My Lord, this is profane.", and, Sir, the House of Lords said: "Law knows no profanity" Therefore, I think that it is not correct to look at these measures like this, which have a altogether different object, which are the compulsions of time, and it is not correct to put them on the touch-stone of morality, though we all condemn it and we condemn it to the extent it goes against the moral grain of society. But they are necessary and they are compulsive and, therefore, they cannot be avoided and, Sir, to the extent to which this brings in money for social productivity, for economic prosperity, for the masses of our country who need it, for the growth of the

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country, for the progress of our country and for taking our country further, I welcome this measure and I request this House to support this measure. Thank you, Sir.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Yes, Mr. Ramamurti. Nine minutes you have got.

SHRI P. RAMAMURTI: Yes, I will finish in nine minutes. I have got to go to another meeting.

Sir, I was just now hearing the speech of Mr. Bhandare who congratulated the Government for its bravery and courage in bringing forward this Bill. I would only point out that there is no bravery in this Bill, because this Bill is an open confession of the impotence and imbecility of the Government before the black-marketeers, hoarders, speculators, etc. They proclaimed to them. We are imbecile, we are impotent, as far as you are concerned, we cannot do anything, we can only legalise something after some time, we have legalised before three times. This is an encouragement to them to continue to indulge in black-marketing operations and earn more and more money. This is going to be the net result, not mopping up any such thing. This is what is going to happen.

He was also talking about the fact that you should understand the gigantic giants with whom we have to fight. The giant is not the black money. When he talks of Rs. 12,000 crores or Rs. 50,000 crores or Rs. 25,000 crores, it is not the black money that is the giant; it is the people who generate black money who are our enemies. And what are you going to do with the enemies of this country? What does it show? What does this Bill show? And you are also talking of the loss of values: The man invites raids so that he is considered as a very rich man. So this is the value you have created after thirty years of your

wonderful rule in this country! Thirty years of independence has completely obliterated your values that you have created during the period of our struggle for independence. And within thirty years you have created a society in which a rich man, in whatever way he may earn that money, is looked upon as a leader of the society. Black-marketeers are leaders of the society. This is what the Government has done during the last thirty years. This is the biggest indictment of the Government's policy all these thirty years. This is what has happened. Therefore, I would ask Mr. Bhandare and the people on the other side: Are you in a position to undertake to fight really against those people who are creating this black money? And who are the people who are creating this black money? Black money is being generated by multi-nationals. They come here and bribe. They come here and bribe officials. They come here and bribe their collaborators. They come and bribe even Ministers, Parliament Members, every one of these things; I am not going to name anybody. This is an accepted fact. Therefore... (Interruptions). This is the position today. As far as my party is concerned, we have nothing to do with multi-national companies. They are our biggest enemies. We will continue to fight them. (Interruptions). I am not yielding. I have to go to another meeting.

SHRI BIPINPAL DAS (Assam): Please do not say: "We have nothing to do with them." You have invited multi-nationals in Kerala and Bengal.

(Interruptions)

SHRI P. RAMAMURTI: It is because there is no other way. (Interruptions) It is because your policy is like this. (Interruptions) I do not like to be interrupted. I am finishing. I do not wish to have interruptions, please.

We work under certain constraints. The constraints are because of the

policies of the Central Government. We are not the makers of this policy. If we were in power at the Centre, we would ban them in this country the very next day.

Then, Sir, it has been stated that black money is created in two ways. One is by concealing the income, the real income, and the other is by illegal transactions. That is what you have said. Who are the people who are making these illegal transactions? They are the big wholesalers, the merchants and all such people. You should be prepared to tackle them. You know the source. All these years you have made so many efforts. Your controls have failed. You said that these controls have failed. But still controls must be there. But the point is, how can you stop this whole thing? Therefore, Sir, unless the Government is prepared to take over, to tackle all these problems at source—to take over the wholesale trading in foodgrains and necessities, and it is prepared to undertake the distribution by paying proper price to the peasant and undertake distribution, you cannot put an end to this. There is export and import also. There is money in everything. Therefore, despite all the promises that Shrimati Indira Gandhi might have made yesterday saying that corruption must be ended, there are cases of corruption in the public sector. Once a Committee indicated the public sector as the generator of black-money through contracts, through this and through that. Even the Wanchoo Committee has indicated the public sector as one of the generators of black-money. What are you going to do about it? The more you go in for contracts and the more the officials get into those contracts, more black money is created. Are you prepared to tackle this problem. I oppose all this talk of mopping up black money because it is just an eye-wash. You are not going to do anything. On the other hand, this is a Bill which is encouraging black-marketing and which is going to create more black-money in

this country because you are giving them a clean chit and telling them: "Look here, you don't bother about it. Four times we have excused you." They know that this Government will not do anything. Therefore, they will continue to generate more and more black money. The result is that our people in this country will suffer. After all, the industrialists in this country are not the industrialists of the 18th and 19th century of Great Britain, France and other European countries. Our industrialists are of a different type. After the end of feudalism, they were competitive capitalists. Here, in this country, since Independence, the entire market has become a seller's market. It is not a buyer's market. There are shortages from the very beginning. Therefore, from the very beginning, they have been indulging in this black-marketing. They are utilising the shortages. If shortages are not there, they create shortages. After all, there is a committee report, I think, of the Ministry of Company Affairs. Now, you are not there to place it on the Table of the House. We asked for it. You said that it would affect certain companies. So, they won't do it. They have indicted some people. Some people have deliberately not utilised the capacity in order to create scarcity. When these big industrial undertakings are in the hands of these very people, they are bound to create scarcity conditions in this country. They don't earn honest profit. On the other hand, they earn black money. How are you going to put an end to it? There is no mention of it. Therefore, I oppose it. I have not got much time. There I am stopping. I totally oppose this because this is not only unholy, but it is an open and direct confession on the part of the Government of its incompetence. Once again I repeat that it is impotence. It is like telling the black-marketeers: "We are impotent before you." It is like telling the multi-nationals: "We are impotent before you." It is a proclamation of the impotency of this Government.

[Shri P. Ramamurti]

Therefore, it should be condemned and it must be thrown outright.

SHRI SYED SHAHABUDDIN: Sir, I rise to support the motion presented by our distinguished colleague, Shri Shiva Chandra Jha, and to oppose the Bill before us. Mr. Vice-Chairman, Sir, much has been said about the role of the black money and its quantum. There is absolutely no doubt—it is a universally admitted fact that black money really constitutes a parallel economy in our country. It is like a cancer eating into the very vitals of our economic process. Its quantum may be 10 per cent of the G.N.P. or its present magnitude may be of the order of 25,000 crores. It is really immaterial. What is important is that it is growing from year to year and there is absolutely no sign that its generation will stop in the near future.

Sir, I am opposed to the Bill first on a procedural ground. I think the ordinance was a misuse of the ordinance-making power of the Government because this ordinance was issued at the beginning of the year when the Parliament was to open a few weeks later. In defending the Government on this point, the Finance Minister said in the other House that there has to be an element of surprise. Now that really is amazing, Mr. Vice-Chairman, because an element of surprise is necessary when you are bringing a punitive measure. But is it necessary when you are going to reward the people who have got this black money? You might recall, Sir, that the *Tribune* has said that this scheme is really a "soft option" to the holders of unaccounted wealth and, therefore, it does not amount to any punishment at all in any sense of the term.

I would like to say on the floor of the House that the Ordinance was issued without Cabinet approval. Now one does not have to go into the working of the Cabinet system. But

surely if this is so, and it is not contradicted at any stage, it is an erosion of the principle of parliamentary system of Government and a violation of the sanctity of the Cabinet system. This Ordinance, when it came, was just like a New Year gift to tax evaders, smugglers and all that gang that my friend, Mr. Bhandare, has very eloquently condemned. But what is important is to realise that this is really in favour not even of all the categories of people who have black money today, but it is a favour for the people with black money in uninvested cash. Sir, this is a very important point. Black money has been invested in our economy in many different ways. But this is really a sop to the people who have got it in cash.

The Bill reflects the style of the Government. If you wish to save people from liquor poisoning, then the panacea is to open more liquor shops. If you want to adopt and introduce the Gandhian standards of austerity in public and private life, the Government adopts the five-star culture and promotes it. If you wish to shelter the homeless, then you simply remove the *jhuggis* and *jhonpries* out of sight and build a skyscraper on the land so cleared up. If you wish to promote agriculture, then of course raise the cost of the inputs so that the production goes down. And finally, if you wish to control tax evasion, then you create this lovely scheme of Bearer Bonds, under which nobody asks you a second question.

I recall, just a few weeks ago, the hon. Finance Minister said in Parliament that legitimisation of black money may encourage people to resort to more and more accumulation of black money. I have a feeling, Sir, that he had forgotten his own precept when he was giving the finishing touches to this Ordinance and finally to this Bill. What he has in fact done is to legitimise the possession of black money in cash.

Sir, I would like to present to the House a few observations by a number of leading economists. Prof. P. C. Mahotra, in the *Times of India* of 15th January, 1981, is reported to have said, while writing in favour of the Bill, that it is an ice cap to control high fever. But what have we experienced? Has it brought down the high fever? The Minister himself is on record that the net result out of this scheme has not been very high. The fever has not gone down even marginally. What we have collected so far is, to the best of my knowledge, of the order of about Rs. 50 crores.

Another economist, Mr. Jagannathan, has said in the *Statesman* that it is a premium on dishonesty. It is a slap in the face of honesty. It is a rebuff to the honest tax-payers. He has further said that it is an official laundry in which the uninvested black money is being white-washed. In the *Indian Express*, a very important national daily, Shri Balraj Mehta has pointed out—and this is very important—that this scheme makes peace with the parallel economy. For the first time, black money's existence has been statutorily sanctified. He further adds that it adjusts and integrates it with the legitimate and open economy. It will lead to a gradual obliteration of any clear line between the legitimate official economy and the parallel economy. I am happy that Mr. Bhandare also referred to this point when he talked about grey money. By introducing this grey money, in fact, the zone of distinction, the dividing line between honesty and dishonesty, between cheating the people and performing a public duty, has been completely obliterated.

4 P.M.

Mr. Vice-Chairman, the Bearer Bonds were introduced with the intention that they are supposed to have some effect on the quantum of black money rolling through our economy and that it will have an impact on liquidity. I only wonder how it will have any impact on liquidity. If black money has simply been trans-

formed from the currency notes issued by the Reserve Bank of India into a piece of paper called the Bearer Bonds which are freely transferable, which shall be in free circulation throughout the economy through all its niches and corners, through all its lanes and bylanes, which will change hands freely—no questions asked—how will it reduce liquidity or the inflationary pressures? Mr. Vice-Chairman, what I am anxious about, what I am worried about is, as the year 1991 approaches, the value of these Bearer Bonds shall appreciate and the velocity of transactions will increase, and if the value appreciates and the velocity of the movement increases, it means a net addition to liquidity, it means an additional pressure on the inflationary process and, therefore, it is going to be a self-defeating exercise. (Time-bell rings) Mr. Vice-Chairman, I will take a few minutes more.

I would also like to place on record that the Bill is likely to be totally ineffective. Even the Finance Minister has gone on record that all he expects out of this is to unearth some Rs. 200 crores this year and some Rs. 800 crores in the coming financial year. So far the experience has belied his expectations. I hope he will not be much disappointed but, what even if he succeeds and even if his estimate is correct? What is Rs. 1,000 crores if the estimate of Rs. 25,000 crores of the magnitude of black money in our economy is correct? I think, perhaps, he was thinking in terms of covering a part of his budgetary deficit, but on the 31st March he will be a disappointed man.

Another important point I must make is that this issue is a clear act of discrimination between an honest tax payer and a man who simply avoids payment of taxes. It is even a discrimination against those who, under the previous schemes, had disclosed their money. Then their disclosed money was subjected to the taxation process. But those people

[Shri Syed Shahabuddin]

who are holding the Bearer Bonds shall be completely out of the tax net, the bonds will be completely beyond the jurisdiction of the taxation administration. It will not be a one-time absolution as in the case of those who were asked to declare their untaxed incomes, but it will be a perpetual and permanent absolution. No income tax, no wealth tax, no gift tax and no estate duty; I hope that this ground ground itself is sufficient for the Supreme Court to strike it down as discriminatory against one class of people. (Time bell rings) Sir, I have the entire time. I have twenty minutes.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Not twenty minutes. It is fifteen minutes.

SHRI SYED SHAHABUDDIN: No one else from my party is to speak.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): You don't know how time passes, Mr. Shahabuddin.

SHRI SYED SHAHABUDDIN: One thing is admitted by the Finance Minister himself: It is not going to control generation of new black money. And I am happy that Mr. Bhandare referred to the various processes in which black money is generated. I think one of the most important is donations to political parties and, I think, in that respect the law needs to be modified. I am, therefore, very happy that he talked about electoral reforms. I would support and I assure the House that my party would support every single measure of electoral reforms that is brought in order to control the role that money power and with it, muscle power, plays today in our national politics.

Sir, this Bill is an act of a Government—I am sorry to say it and I hope my friends on the Treasury Benches will not mind it—which is based on partnership with black money. It is the act of a party which is itself rol-

ling in black money. And my friend, Mr. Bhandare, talks of political corruption. I am reminded of a proverb, Mr. Vice-Chairman:

सौ चूहे खा कर बिल्ली हज का चली ।

Mr. Vice-Chairman, Sir, the inequity and immorality of this Act have been admitted again and again by the hon. Finance Minister himself. But he made one interesting point. He said: "Why do you accuse me? The suggestions to have these bonds had been made from time to time since the very first day of Independence." But he did not pause to ponder over this question: How is it that this suggestion which was so repeatedly made was never put into effect? It has fallen to a very good man, a very noble person like Mr. Venkataraman to introduce this very unholy and very black Bill.

Mr. Vice-Chairman I would like to ask him, if he were here—and I hope the hon. State Minister of Finance would take note of it why they have not set any upper limit, why it is purchaseable in foreign currency; why the names of the original purchasers are not recorded somewhere so that at some point of time in future, if these people are found guilty of economic offences, there is some record to show that some time they had black money in their possession. Mr. Vice-Chairman, it indeed exposes Government's imbecility, as Mr. Ramamurti said.

And I would like to add that the Government should not take shelter behind these excuses. I know some friends from the Treasury Benches would say: Black money is a universal phenomenon. You remember, they say the same thing about inflation. But these are mere excuses. I think what is really necessary is that the Government must try to remove the scarcities, must try to remove unnecessary controls on the economy, must try to have a reasonable level of taxation,

must have an adequate enforcement machinery, must give built-in psychological incentives so that the honest people pay and the dishonest people are also persuaded to pay their taxes. There should be laws to control conspicuous consumption. After all the top people also do not eat money; they use it somewhere. There must be some time, some place where they must use it, whether in the form of movable property or immovable property. Once upon a time I was in Government service and I was supposed to file a return of the immovable property acquired. But there is no Government regulation which says that I should also declare what movable property I have. And this is something fantastic.

Mr. Vice-Chairman, as an Opposition party, we shall be failing in our duty to the people if we were to support this Bill. We shall oppose it. And I would like to declare it here on the floor of the House, as a responsible Member of the Janata Party, that we shall not honour these bonds if we come back to power. We reject this measure in its totality and we support the Resolution that has been moved by Mr. Jha. We reject it because this Bill is not only immoral, repugnant, inequitable and unethical but is also pernicious and it is inhaling a dramatic break in our official attitude. And that is the sorrier part of it because we have now recognised black money, accepted it as a legitimate part of our national economy.

SHRI P. N. SUKUL (Uttar Pradesh): Mr. Vice-Chairman, Sir, I rise to support the special Bearer Bonds (Immunities and Exemptions) Bill that has been presented to Parliament and that has already been passed by the Lok Sabha. Sir, as is clear from the objects given in the Bill itself, it is to canalise for productive purposes the black money which has become a serious threat to the national economy. As our Finance Minister has

already said, it is to mop up the excessive black money in the economy and to put it to productive use that this Bill has been brought forward. Sir, this Bill is expected to enable the people to invest the unaccounted money for productive purposes. It is supposed to help in curbing inflation, controlling prices and reducing the Budgetary deficit. That is why I say that this measure is really noble and laudable. Black money has risen to gigantic proportions in our country; in all walks of life we find that black money is there. And because of the black money, in respect of the essential commodities, our life has become miserable. Industries like those of steel, cement, aluminium, fertilizers, sugar, etc. are responsible for the generation and proliferation of this black money.

[The Vice-Chairman (Shri Bishambhar Nath Pandey) in the Chair]

I can tell you from my own personal experience about the cooking gas. The other day, I was at Lucknow and I could not get the cooking gas supply for one month and when I enquired into the matter I was told that cooking gas would be available if I am ready to pay Rs. 15 or Rs. 20 more per cylinder. This is the state of affairs. In 1969, Sir, the Wanchao Committee on Direct Taxes had estimated the black money to be about Rs. 10,000 crores in our country.

Now it is supposed to be to the tune of Rs. 20 thousand crores to Rs. 25 thousand crores. Comrade Jyotirmoy Bosu said in the other House that it was about Rs. 30,000 crores. Someone said that it was Rs. 18,000 crores. But it is roughly Rs. 20,000 crores to Rs. 25,000 crores and we see that in a decade in just eleven years it has doubled itself. In 1969 it was one-third of the gross national product at that

[Shri P. N. Sukul]

time, and today it is supposed to be to the tune of one-half of the GNP. No section of the society is today free from the influence of this black money, and the scourge of the black money poses a serious threat to our national economy by running its own parallel economy. Any attempt to loosen its grip on the people is most welcome, and that is why I welcome this Bill that has been brought about by our Finance Minister.

This Bill is in fact the sixth attempt of the Government to contain and control the black money in the country. The first attempt was the Voluntary Disclosure Scheme in 1951, the second attempt was the Voluntary Declaration Scheme of the Undeclared income in 1965, measure was the Voluntary Disclosure Scheme of Income in 1965, the fourth was the Voluntary Disclosure Scheme of Income and Property in 1975, and the fifth attempt was the demonetisation of the currency notes of Rs. 1,000 in 1978, which was done by the Janata Government.

The special bearer bonds scheme is supposed to net Rs. 1,000 crores. That is what our Finance Minister has said, and it is clear that if our total black money is to the tune of Rs. 20,000 crores to Rs. 25,000 crores, through these bonds we are going to net just only about 4 or 5 per cent of the black money that is there in the market. The Government does not claim that through these bonds it is going to liquidate the entire black money. It is a pious effort, a noble effort, in that direction. This black money is already there whether we issue the bonds or do not issue the bonds. Even if the scheme had not been brought about, the black money was there. The only thing was

that it was not being used and it would not be used for the good of the people. Therefore through this scheme we are trying to have a portion of the black money in circulation for the purposes of our national economy.

Sir, it is rather amusing to know that whereas on the one hand our opposition friends like Mr. George Fernandes, do agree that black money is being generated at a rate of Rs. 20 crores to Rs. 30 crores per day, on the other hand they do not approve of this Bill that has been brought about to partially liquidate the black money. It is there. Its liquidation is a must. Sir, what is the harm after all if a part of the black money is brought in circulation into our national economy and used for the good of the people? Even the Wanchoo Committee had said in its report, "If the black money existing in the country has to be recovered, certain concessions would have to be granted to those who have it." That is why by this scheme we are going to grant a few concessions. In fact these concessions are of persuasive nature. We are trying to persuade them to just part with a portion of their black money for the general good of the people. So, there is nothing wrong in trying to extend the benefits of the black money to the people at large by allowing its transformation into white. It is ridiculous, Sir, for any Opposition leader to say that the previous attempts to take out the black money have failed and that therefore no attempt should be made for that purpose. In fact, I am referring to what our Opposition leader said in the other House. Dr. Subramanian Swamy said this. He said that since the first three attempts could only net Rs. 200 crores of black money, it is no use following

this policy and pursuing this scheme. Sir, I would like to point out in this connection that Mt. Everest was not climbed in just one attempt. Several attempts had to be made. If one attempt fails, if two attempts fail, it does not mean that another attempt should not be made. And this is a very pious attempt because here our Government wants the cooperation of black-money for improving the national economy. This cooperation perhaps cannot be understood by our Opposition friends that it is possible. They may be a party to the generation of this black-money, but if a portion of that is going to be pumped into the national economy, they just raise a hue and cry.

श्री उदाशिव बागाईतकर : श्री एम०  
के० पटिल साहब ने . . (श्रवधान) इसको  
पहले क् दिया था ।

SHR P. N. SUKUL: Mr. Bagaitkar, I am not going to yield. I did not disturb you. Sir your hon. friend, Sardar Khushwant Singh is not here. He might be partly right in mentioning in his editorial in the *Hindustan Times* of the 14th January that "the scourge of black money cannot be controlled by palliatives and half measures." This is what he has written in the editorial. But these palliatives have their own role to play, and not so hardened criminals may perhaps succumb to this open-hearted invitation for participation in the noble task of building up the country's economy for the common good of the people. The *National Herald* has rightly termed the Ordinance as "yet another chance". This is the heading of its editorial of the same date because if those who have black money do not avail of this chance, perhaps they may not have another chance.

Sir, as our Opposition Members have expressed themselves, so have our newspapers. They are also rather sceptical about the utility of this scheme. In the *Financial Express* of

the 14th January, I read an editorial and it said that this scheme "is a moral and infructuous" and the paper even went on to say that "one year from now, the Government will find that while it has forfeited its respectability, it has gained absolutely nothing in return." This is not true. This is sheer pessimism. Already despite the fact that this Bill has been taken to the Supreme Court, we have netted about Rs 80 crores. We could not net Rs. 200 crores as envisaged by the Finance Minister or by our experts. Had this scheme not been taken to the court perhaps we would have got Rs. 200 crores as envisaged earlier. But still we have already netted Rs. 80 crores or Rs. 82 crores. Personally I am hopeful that after this case is decided in the Supreme Court, we may get even more than Rs 1000 crores through these bonds. Sir the *Free Press Journal* of the 14th January in its editorial said, "It is an evasive exercise". And the paper asked, "Will the new mop-up operation help to reduce taxes in 1981-82?" Now, since the budget has already been presented, that paper and all those who might have thought on those lines must have seen that taxes in 1981-82 have been reduced by our Finance Minister, by our Government of Mrs. Indira Gandhi. The Finance Minister said in the Lok Sabha on the 19th of March that if the Bonds Bill is struck down, more taxes may have to be levied upon the people. There lies the utility of this scheme. In anticipation of netting Rs. 1,000 crores from these bonds, so any taxes we are not levying. And actually I congratulate our Finance Minister who this time came with a budget in which there have been large-scale concessions in income-tax and in other direct taxes I do not share the misapprehension propagated by our learned Opposition leaders about this Bill and I firmly believe that this process of gradual transformation of black money into white money will go a long way in doing away entirely with our fiscal blackness in future. I do not believe in grey money. It is

[Shri P. N. Sukul]

white money only. If with black money you are purchasing bonds, you are simply whitening the money. No other term should be used for it. It is white money. So the Finance Minister deserves laurels for this piece of legislation that seeks to invite black money into circulation into the country's economy and enable the people to be benefited by the same black money that poses a danger to our collective well being. It is good that this scheme has been kept totally independent of our tax system, and no holder of these bonds can claim any relief under the tax laws on the plea of purchase of these bonds. These bonds will also not interfere with the assessment of wealth tax. Inviting cooperation of black money in our economy is really a revolutionary step. But the people who matter have also to share the spirit of this revolution envisaged by our Finance Minister otherwise the revolution may abort due to our own shortcomings...

SHRI SADASHIV BAGAITKAR: It is a counter-revolution...

SHRI P. N. SUKUL: ... from your side.

Then, Sir the Indian Express of 5th March published an article with this caption: "Will CIA and KGB purchase the bonds?" That was the heading—"Will CIA and KGB purchase the bonds?" Personally I do not know what is wrong about it. If they want to purchase the bonds, they should be welcomed. Anybody wanting to purchase the bonds should be welcomed. Mr. Bhandare said, "I am going to purchase the bonds I do not have black money but I will buy them with white money." But why should CIA and KGB try to augment our coffers if they are not our friends? Why should they inflate our coffers if they are not friendly to us? And if money is to be paid in Indian rupees, I see no harm in KGB or CIA or anybody purchasing the bonds. At least

to that extent our national economy is going to be helped.

Another plus point of this scheme is that it provides a facility of bank borrowings against the collateral security of these bonds. However, simultaneously effective measures have to be taken to check the generation and proliferation of black money. Severe punishment including detention has to be there. And although our Finance Minister does not agree, I personally want that, if possible demonetisation should also be resorted to. I read the proceedings in the other House the other day where somebody said, "If demonetisation takes place, then our economy will be stalled for a few months." It does not matter; a few months would not matter so much for such a big country like ours with so many crores of people if it is going to result ultimately in good to the society, in good to the economy. Honesty has got to get its premium ultimately; everybody agrees on that. More stringent measures have also to be pursued simultaneously. Administrative corruption has also to be checked ruthlessly. All measures should be taken to purge it. Our hon. friend Mr. Bhandare, said that it is black money which is responsible for corruption in our society I do not agree with him. Unfortunately, accordingly to me, it is corruption which is responsible for this black money. Resort to corrupt practices has led to accumulation of this black money. So it is corruption that is responsible for this accumulation of black money and black money is not so much responsible for this corruption.

The Government of Shrimati Indira Gandhi, and Shri R. Venkataraman, therefore deserve to be congratulated for the formulation of this bold and realistic scheme for checking the proliferation of black money. The Wanchoo Committee had suggested reduction in the high rates of taxation in the country. I would request our Finance Minister to see that the sug-

gestions of that Committee are studied in all its aspects with a view to revising and rationalising the existing tax structure of the country.

In fact every such scheme may have certain plus points and certain minus points. They are bound to have. And as our Prime Minister is reported to have said in Madras on the 11th January 1981, we must strike a balance between the plus and minus points and in a mixed economy like ours we have to follow the middle path or the golden mean...

AN. HON. MEMBER: What is that?

SHRI P. N. SUKUL: This bond scheme.

In the end, I wish to congratulate once again our learned Finance Minister for having conceived such a good scheme for unearthing the black money and curbing its generation as well as proliferation.

With these few words, I support this Bill that has been brought forward.

**श्री लाडली मोहन निगम :** उपसभाध्यक्ष महोदय, मैं इस विधेयक के सभी पहलुओं का विरोध करता हूँ। (व्यवधान) असल में मुसीबत यह है कि जब किसी बात की चर्चा बहुत हो जाती है तो उस वक्त मुझे इस बात पर हैरत होती है कि चोर, डकैत, बदमाश, जो लोग हमारी सामाजिक और आर्थिक व्यवस्था को दूषित कर रहे हैं सरकार उनको ठकने का प्रयास करती है। यह पहला मोका नहीं है। जब कभी भी काले धन के बारे में हिन्दुस्तान में चिन्ता प्रकट की गयी, ईमानदार व्यक्तियों ने चिन्ता प्रकट की तो किसी न किसी शकल में चाहे वह डाक्टर हलदार कमेटी हो या त्यागी कमेटी हो या वांचू कमेटी हो, उनको लाया गया और यह सब एक बंध्या प्रयास रहे है सारे हिन्दुस्तान की अर्थ व्यवस्था

को सम्हालने के लिये, और मैं तो बहुत गभीरता से माननीय वित्त मंत्री जी से कहना चाहता हूँ कि आपका यह प्रयास इस वक्त देश में जो काला धन पैदा हो रहा है उसके खिलाफ जो एक माहौल बन रहा था उस तरफ से लोगों का ध्यान हटाने के लिये आप ढाल बन कर सामने आ गये हैं, उस माहौल के सामने खड़े हो गये हैं। मैं जब इस बिल को पढ़ता हूँ, इस की धारा 3 और 4 को आप संजीदगी से देखें तो आप यह पायेंगे कि हिन्दुस्तान में एक नया तरीका मुद्रा का, मुद्रीकरण का होने जा रहा है। एक नये तरीके का नोट बनने जा रहा है। पहले तो जो सरकारी मुद्रा चलन में है उस का इस्तेमाल करके गुनाह होते थे अब इस मुद्रा के चलन के बाद हिन्दुस्तान में किस तरीके के और कैसे-कैसे अपराध होंगे इसकी परिकल्पना आप नहीं कर सकते। यह खुली छूट होगी हिन्दुस्तान में बड़े पैमाने पर बेईमानी और बदमाशी करने के लिये और सक्कारी करने के लिये क्योंकि काला धन आज पैदा नहीं हुआ। यह देन है हिन्दुस्तान को अंग्रेजों की दूसरे महायुद्ध के बाद और वही चलन कमोवेश हम लोग चलाते चले आ रहे हैं।

**श्री रामानन्द यादव :** यह आप की पूँजीवादी व्यवस्था की देन है।

**श्री लाडली मोहन निगम :** खैर, वह तो आप चला रहे हैं। कौन आप से उम्मीद करेगा कि सुधार होगा।

**उपसभाध्यक्ष (श्री विश्वभर नाथपांडे) :** कृपया आप चेयर की तरफ मुखातिब हों।

**श्री लाडली मोहन निगम :** मैं यह कह रहा हूँ कि हिन्दुस्तान में अंदाजा लगाया गया है, एक नेशनल कौंसिल आफ अप्लाइड इकोनामिक रिसर्च है, उसने अंदाजा लगा कर बताया है कि हिन्दुस्तान में इस वक्त औसतन करीब-करीब सवा करोड़

[श्री लाडली मोहन निगम]

रुपया हर घंटे काला धन पैदा हो रहा है। 800 करोड़ की बात तो मान ली, लेकिन वांचू कमीशन के जमाने में 1100 करोड़ की बात थी। मेरे वुजर्ग साथी और विद्वान आदिशेषैया जी यहां बैठे हैं, उन का कहना है कि 25 हजार करोड़ रुपया काले धन के रूप में हिन्दुस्तान में चलन में है। अब सवाल यह है कि काला धन बनता क्यों है। इस धन के बनने के दो तरीके हैं। मैं उन लोगों में नहीं हूँ जो यह कहते हैं कि हिन्दुस्तान में एक समानान्तर व्यवस्था चल रही है। मैं इसे समानान्तर व्यवस्था मानता नहीं हूँ। ये दोनों ही व्यवस्थायें जो दो तरह की मुद्रायें चल रही हैं, वह एक दूसरे से जुड़ें हुई हैं। इनको आप अलग नहीं कर सकते। इनका चौली-दामन का रिश्ता है। हिन्दुस्तान में सफेद पैसा जानबूझकर कैसे काला बनाया जाता है? इसलिए कि काला बनाने से उसका हितसाधन होता है। मिसाल के लिए एक सरकारी मुलाजिम को ले लीजिए। 30-40 साल नौकरी करने के बाद वह अपनी ग्रैच्यूइटी या प्राविडेंट फंड में से पैसा लगाता है तो उसको दूसरी चीजों के लिए पगड़ी देनी पड़ती है। जो वह सफेद धन उसको देना पड़ता है वह काला धन बन जाता है। तो आप काले धन को सफेद होने या सफेद धन को काला होने से नहीं रोक सकते हैं। जब तक आप इस पर प्रहार नहीं करते हैं तब तक ऐसा सम्भव नहीं हो सकता।

आपकी आंखों के सामने दिल्ली को देख लीजिए, दिल्ली का सबसे बड़ा उद्योग रिश्वत बन गया है। तीन करोड़ रुपये की रोजाना रिश्वत चल रही है। यह रिश्वत काले धन में आती है और सफेद धन में बदल जाती है। मिसाल के लिए 30 वर्षों में आप देखिये कि कितने पांच सितारे वाले होटल बने हैं। उनमें जो लोग

अग्यासी और विलासिता के लिए जाते हैं, एक-एक खाने के लिए जहां पर हजार-हजार, दो-दो हजार रुपये का बिल देते हैं, वह होटल वालों का धन सफेद हो जाता है। मतलब कहने का यह है कि सफेद धन हिन्दुस्तान में काला बनता है और काला धन सफेद बनता है। इस वास्ते मैंने कहा कि इसको मैं समानान्तर व्यवस्था नहीं मानता हूँ।

श्रीमन्, शायद आपको याद होगा, आप ज्यादा वुजुर्ग हैं, हमारे रहुतुमा रहे हैं। लेकिन जहां तक मुझे याद है अगर मेरी याददाश्त ठीक है तो 3 नवम्बर 1947 को गांधी जी ने दिल्ली की प्रार्थना सभा में कहा था और देश को आगाह किया था कि अगर विलासिता की तरफ तुम चले, अंग्रेजों की दी हुई पद्धति पर कंट्रोल के सिस्टम को चलाते चले जाओगे तो हिन्दुस्तान में बहुत ज्यादा विलासिता में डूब जाओगे? मुझे लगता है कि वह लंगोटी वाला आदमी सबसे बड़ा अर्थ शास्त्री था कि जिसे 35 वर्ष पहले हिन्दुस्तान में क्या घटने वाला है, वह इसकी दृष्टि रखता था। आज जो हिन्दुस्तान के वित्त मंत्री हैं, इनके पास आने वाले साल भर की भी दृष्टि नहीं है। मिसाल के लिए मैं आपको कहता हूँ कि क्या आपने आज का ही टाइम्स आफ इंडिया उठाकर देखा है, जिसमें स्वर्णाक्षरों में प्रथम पृष्ठ पर लिखा हुआ है जिसका आशय है कि हिन्दुस्तान में नौकरशाह, मंत्री, राजनीतिक और सरकारी अफसरों के साथ जुड़े हुए व्यापारी कितनी बड़ी लूट और बेईमानी करते हैं। कल मुझे यह खतरा है कि ये जो बेयरर बांड आप बना रहे हैं, इसको स्पेशल बेयरर बांड नहीं बल्कि मुझे अंग्रेजी नाम लेना पड़े तो मैं कहूंगा—It is a security for black money bonds.

जो आप उसको देने जा रहे हैं। इसको

लेकर आप किसी तरह का भी अंतर्राष्ट्रीय अपराध कर सकते हैं क्योंकि यह पैसा बाहर भी जा सकता है और बाहर से आ भी सकता है। हिन्दुस्तान का जो पैसा जमा करे उससे कोई पूछ नहीं सकता कि चरित्र, नियम और कानून टैक्स के बारे में उनके ऊपर लग नहीं सकते, उसके बारे में यह विल कठिनाई पैदा करता है तो यह विल बहुत ही खतरनाक है। वालंटरी डिस्कलोजर स्कीम आपकी चली थी जिसको वी० डी० स्कीम कहते हैं। ठीक है, यह एक तरह का शरीर का ही रोग था, इनके शरीर का रोग था। लेकिन यह गुप्त रोग आज पूरे हिन्दुस्तान को लग रहा है। इसके बारे में मैं आपसे एक ही बात कह देना चाहता हूँ और वह यह है कि हिन्दुस्तान में जब तक विलासिता और अय्याशी के खिलाफ रोक नहीं लगाई जाएगी, खर्च का सीमा निर्धारण आप नहीं करेंगे, आः यह तय नहीं करेंगे कि प्राथमिकतायें आपके जीवन की कौन सी होगी, समाज में इसके लिए सीमा नहीं लगायेंगे, तब तक हालत सुधर नहीं सकती। आज हिन्दुस्तान में शहरी सम्पत्ति पर कोई रोक नहीं है। आप उन चीजों की गणना भी नहीं कर रहे हैं जिन चीजों में काला धन पैदा हो रहा है। कितना काला धन पैदा हो रहा है इस चीज का भी आप ख्याल नहीं कर रहे हैं। जैसा कि भंडारे जी कह रहे थे कि 100 करोड़ रुपया खाली फिल्म इंडस्ट्री में पैदा होता है। 500 करोड़ रुपया हिन्दुस्तान में फौलाद और कोयले के धंधे में होता है। फौलाद और कोयला दोनों ही सरकारी क्षेत्र की चीजें हैं। सीमेंट में करीब-करीब 80 करोड़ पैदा होता है। कागज और केमिकल में करीब करीब 180 करोड़ होता है। चीनी की तो बात ही क्या है। चीनी में तो सरकार की ही गड़बड़ है। इससे कितना सशक्त लाभ है इसके बारे में मुझे नहीं कहना है। सबसे बड़ी बात

यह है कि अभी सन् 1980 में चुनाव हुए। मैं यह कहना चाहता हूँ कि जब तक आप राजनीतिक चुनाव में काले धन के इस्तेमाल पर रोक नहीं लगायेंगे तब तक काले धन का पता नहीं लगा सकते। पीछे लोक सभा के चुनाव हुए। करीब-करीब 4600 उम्मीदवार खड़े थे और 35000 की आपने सीमा लगाई यानी 35000 रुपया एक आदमी खर्च कर सकता है। हिन्दुस्तान के चुनाव पर एक बहुत बड़े विशेषज्ञ हैं उन्होंने कहा है कि औसत एक रुपया पर वोट के हिसाब से पैसा खर्च होता है एक उम्मीदवार पर। पांच लाख वोट एक चुनाव क्षेत्र में होते हैं। एक तरह से पांच लाख रुपया एक उम्मीदवार पर खर्च हो गया। हम कह सकते हैं कि 80 के चुनाव में लगभग 400 करोड़ रुपया खर्च हुआ। यह कहाँ से आया? बिल्कुल साफ है। वही लोग जो काले धन को बनाए रखना चाहते हैं उन्हीं का यह रुपया है। यह एक ऐसी बीमारी है कि एक बार इसकी लत लग गई तो वह छूटती नहीं। जिस तरह से हिन्दुस्तान में योजनाएं मुट्ठी भर लोगों के लिये बनी उसी प्रकार यह काला धन और उसका उपयोग भी मुट्ठी भर लोगों के लिये है। इस वास्ते इस काले धन को आप तोड़ नहीं सकते। क्योंकि जिन अफसरों ने यह बनाकर आपको दिया जिन्होंने इस बिल की परिकल्पना की होगी और शायद इसी वास्ते की होगी। आज एक होड़ लगी हुई है राजनीतिज्ञों और नौकरशाही में। व्यापारी की बात तो छोड़िये क्योंकि उसको तो आप कल खत्म कर सकते हैं। राजनीति में और इसके साथ-साथ नौकरी में जिस तरीके से काला धन पैदा होता है उसका तखमिना एक हिसाब से लगाया जाए तो मैं आपको बताना चाहता हूँ कि विदेश मंत्री जी ने

[श्री लाडली मोहन निगम]

अपने एक प्रश्न के उत्तर में इसी सदन में कहा था कि यहां पर अफसरों ने कुछ ऐसे मकानात बनाए हुये हैं, विदेश मंत्रालय के अफसरों ने बनाए हुये हैं, जिनका एक-एक मकान का भाड़ा 11 हजार रुपए महीना आता है। दिल्ली में यह मकान बने हुये हैं दिल्ली से बाहर नहीं। विदेशी दूतावास इसको ले लेते हैं। वह इन्हीं के बंगले क्यों लेते हैं यह कहने की जरूरत नहीं है। जब तक आप खर्च की सीमा नहीं लगाते, सम्पत्ति की सीमा नहीं बांधते कि एक आदमी इससे ज्यादा सम्पत्ति नहीं रख सकता तब तक आप काले धन के ऊपर रोक नहीं लगा सकते।

**SHRI RAMANAND YADAV:** Now you come to the point.

**श्री सदाशिव बागाईतकर :** लेकिन आप क्या कर रहे हैं ?

**श्री लाडली मोहन निगम :** मैं आपसे कहना चाहता हूं कि हमें भी अपने राजनीतिक जीवनों की प्राथमिकताओं को तय कर लेना चाहिये। हिन्दुस्तान में औद्योगिक उत्पादन हुआ कितनी चीजों का हुआ ? आपको मालूम होगा कि अटलांटी और विलासिता की जितनी ज्यादा चीजें पिछले 20 वर्षों में हिन्दुस्तान में बनी हैं उसकी कोई सीमा नहीं। मैं समझता हूँ शायद सम्पन्न देश भी उतनी चीजें नहीं बना सकता। सिर्फ टायर को ही ले लीजिए। हिन्दुस्तान में 160 करोड़ रुपया सालाना टायर में बर्तक होता है। टायरों का इस्तेमाल कौन करता है ? आधे से ज्यादा टायर सरकार खुद इस्तेमाल करती है और सार्वजनिक संस्थान जितने हैं उनकी जो गाड़ियां हैं वे इस्तेमाल करते हैं। आपकी जूती आपके सर पर यह उद्योगपति मारते हैं। काला धन जिसको बर्तक मनी कहते हैं और काली सम्पत्ति इसमें भी फर्क करना

पड़ेगा। काली सम्पत्ति कहाँ होती है इसका आप अंदाजा नहीं लगा सकते। वित्त मंत्री जो आप सोच सकते हैं कि पिछले दो वर्षों में हिन्दुस्तान में हीरे-जवाहरात की कितनी खरीद-फरोख्त हुई। आप जानते हैं कि हीरे-जवाहरात आम आदमी के खरीदने की चीज नहीं है। इसको कहीं न कहीं दबाकर रखता है। हीरे-जवाहरात से आप विदेशी मुद्रा कमायें, यह मुझे कबूल है, लेकिन हिन्दुस्तान के आम आदमी से आप हीरे-जवाहरात की बात करें, यह मेरी समझ में नहीं आता है। आप जानते हैं कि हिन्दुस्तान में आम आदमी को दो वक्त्त की रोटी भी नहीं मिलती है। आप नेशनल कौंसिल ऑफ एप्लाइड रिसर्च के तख्तीने को देख लीजिए। हिन्दुस्तान में करीब-करीब पांच हजार करोड़ रुपयों की सम्पत्ति सिर्फ हीरे-जवाहरातों पर लगी हुई है। लोगों ने अपना धन दबा कर घर में रखा हुआ है। हिन्दुस्तान में अब एक नई चीज पैदा हो गई है। हिन्दुस्तान में अब नये किस्म के मकान बनने लगे हैं। बाहर जाने की जरूरत नहीं है, इसी दिल्ली में ऐसे भी मकान हैं जिनका अगर तख्तीना लगाया जाय तो आपको पता चल जाएगा कि काला धन कहाँ छिपा हुआ है। इन मकानों में एक-एक बाथ-रूम की, संडास की कीमत 12-12 और 15-15 लाख रुपए है। जिस मकान का बाथ-रूम 12-13 लाख रुपयों का होगा उसमें और कितना काला धन जमा होगा, इसका आप स्वयं अंदाजा लगा सकते हैं। आपने अब तक कितने रेड्स किये हैं ? आपने आंकड़ों के माध्यम से यह बताया है कि आप 377 का ही एंजलमेंट कर सकते हैं। इनमें आपने कितनी सम्पत्ति ऑर्जना की ? आपने बताया है कि आपने सिर्फ 2 करोड़ 16 लाख की ही सम्पत्ति प्राप्त की। आपने जो कुछ कहा है, हम उसको मान लेते हैं। आपने कहा है कि 25 हजार करोड़ रुपए इस वक्त्त हिन्दुस्तान में हैं।

आप के पास कितनी मुद्रा है ? पहली बार जब आपने हजार रुपये के नोटों का विमुद्रीकरण किया तो आपको 29 करोड़ रुपये मिले । उस वक्त 8 हजार तीन सौ करोड़ नोटों का चलन था । आज कितने नोटों का चलन है ? अगर आप हर पैसे वाले के दरवाजे पर चरण चुम्बन करें तो आप कितना काला धन निकाल पायेंगे ? मैं समझता हूँ कि आप तीन चार परसेन्ट से ज्यादा काला धन नहीं निकाल सकते हैं । यह तीन चार प्रतिशत धन भी अपराध के लिए इस्तेमाल होता है । मैं चाहता हूँ कि आज अखबार में जो खबर छपी है उसके बारे में आप बतायें कि वे कौन-से अफसर हैं, कौन-से मंत्री हैं और वे कौन-से व्यापारी हैं जिन्होंने हिन्दुस्तान के हित को बाहर बेचा है, पैसा कमाया है । मैं यह कहना चाहूँगा कि अगर आप इस बिल में धारा 3 और 4 को हटा दें तो मैं यह मानूँगा कि आप बहुत हद तक शराफत से कुछ काम करना चाहते हैं सिर्फ कानून बना देने से आप काले न को नहीं निकाल सकते हैं । अगर आप कानून बना कर हिन्दुस्तान में सम्पत्ति की कोई सीमा लगा दें कि जो भी व्यक्ति इस सीमा से ज्यादा सम्पत्ति अर्जित करेगा या इकट्ठा करेगा उसकी सम्पत्ति जब्त कर ली जाएगी तो मैं इस बात में आपके साथ खड़ा होने के लिए तैयार हूँ । आप इस देश में ऐसा कानून बनाइये कि कोई भी आदमी 10 लाख या 15 लाख से ज्यादा की सम्पत्ति नहीं रख सकता है ।

**उपसभाध्यक्ष (श्री बिश्वम्भर नाथ पांडे) :** आप कृपया जल्दी समाप्त कीजिए ।

**श्री लाडली मोहन निगम :** अगर आप 10 लाख या 15 लाख की सीमा बांध दें और इसके लिए हिन्दुस्तान में एक कानून बना दें कि जिन लोगों के पास इससे ज्यादा की सम्पत्ति होगी उसका राष्ट्रीय करण नहीं बल्कि उसको जब्त कर लिया

जाएगा तो यह एक बहुत अच्छा कदम होगा । वरना जो भी कदम आप काले धन को निकालने के लिए लाते हैं उससे यह समस्या हल होने वाली नहीं है और आपकी यह सरकार उन लोगों की मदद ढाल की तरह करती रहती है । विमुद्रीकरण नाम पर, कमीशनों के नाम पर, आप चाहे जो भी काम करेंगे, जब तक आपकी नीयत साफ नहीं होगी, जब तक आपकी ईमानदारी के साथ काम नहीं करेंगे, तब तक समस्या हल होने वाली नहीं । मैं सुझाव देता हूँ कि आप आज ही एक ऐसे कमीशन की घोषणा करें जिसको न्यायिक यानी जूडीशियल पावर्स होंगी और कोई भी आदमी शपथ लेकर उसके सामने अपनी बात कह सके और वह जो भी बात होगी, गोपनीय होगी । उसके बाद आप उसको अधिकार दे दीजिए कि वह चार्ज-सीट आदि बनाने का काम करे । अगर आप ऐसा कमीशन बना देंगे तो हो सकता है कि यह जो 25 हजार करोड़ रुपया है इसको निकालने में आप सफल हो सके । आज हमारे देश में सारी राजनीति इसी काले धन पर चल रही है, आप उसी धन से चल रहे हैं और उसी के नाम पर मिश्रित अर्थ-व्यवस्था चला रहे हैं । आज चारों तरफ जो अय्यासी और रगड़ दिखाई देती है यह सब इसी काले धन का परिणाम है ।

अभी कुछ दिन पहले सरकार की तरफ से यह भी कहा गया है कि अगर इस तरह से काले धन का पता नहीं चला तो दूसरा रास्ता अपनायेंगे । लेकिन वह दूसरा रास्ता क्या है, यह नहीं बताया गया है । वह चौन सा रास्ता है ? आपने कितने मुकद्दमें चलाये हैं, कितने रेड्स किये हैं ? विमुद्रीकरण करके आपने देख लिया, आपने कमीशन बना करके भी देख लिया, लेकिन फिर भी काले धन को निकालने की हिम्मत आपमें नहीं है । हिन्दुस्तान में जो सबसे ज्यादा काला धन पैदा करता

[ श्री लाडली मोहन निगन ]

है वह है एक मटका चलाने वाला इंसान। जहां के श्री सिसोदिया जी हैं, मालवा के, उनसे पूछिए वहां शहरों में अलग अलग मटका चलाने वाले हैं। हिन्दुस्तान में मटकों से करीब 10 करोड़ रुपए रोज का काला धंधा होता है। मैं मालवा और इंदौर की बात कर रहा हूं। जहां कि देश में 10 करोड़ रुपए का वारान्यारा होता है। आप कैसे रोकेगे? दो नम्बर का व्यापार होगा, तो दो नम्बर का धंधा चलेगा, चलेगा क्यों नहीं? हर आदमी चाहता है कि उसके पास वैभव हो, उसके पास मोटर हो, उसके पास मकान हो, वह अच्छे अच्छे कपड़े पहने, यह स्वाभाविक है। अगर मित-व्ययिता की राजनीति को छोड़कर फैशन और विलासिता की राजनीति आप चलायेंगे तो फिर क्या काला धन नहीं चलेगा?

उप-भाष्य (श्री विश्वम्भरनाथ पांडे) : अब समाप्त कीजिए।

श्री लाडली मोहन निगम : इसलिए मैं आपसे बड़े अदब से कहना चाहता हूं कि आप तत्काल एक कमीशन की घोषणा कीजिए। अगर अभी इस सत्र में संभव नहीं है तो दो हफ्ते के बाद हम फिर मिलेंगे। आप सम्पत्ति की सीमा का कानून लाइए, खर्च पर सीमा लगाने के सम्बन्ध में अगर मंत्री जी आप सुझाव लायेंगे तो सारा देश आपके साथ खड़ा होगा। आप एक हजार, दो हजार, तीन हजार कुछ भी तय कर लीजिए। दूसरी चीज, जिन लोगों ने आजादी के बाद जो भी सम्पत्ति अर्जित की है, जितनी भी उनकी अचल सम्पत्ति है उसका तखमीना लगाइये और सीलिंग के दायरे के ऊपर जो है जब तक आप उसको जब्त नहीं करेंगे तब तक यह नहीं हो सकता। अगर आप में ईमानदारी है तो व्यापारी, राजनितिज्ञ, और अफसर, इनका त्रिगट तोड़ने के लिए एक तरीका

आपके पास बचा है और वह यह है कि जैसा कि मैंने आपसे कहा इसमें वैसा संशोधन लायें पहली बात। आप सम्पत्ति की सीमा लगाइये दूसरी बात और तीसरी बात यह कि इसके लिए आप कमीशन अवश्य बनायें जिसको कि जूडीशियल पावर्स हों और वह हिन्दुस्तान का सारा काला धन खोजने का काम करे। अगर आप इस तरह का बिल लाते हैं तो हम इसका समर्थन करते लेकिन आपने जिस तरीके से बिल में छोटे मोटे गनियारे बना लिए हैं, जिनसे बेईमानों का बेईमानी करने का मौका मिलता है और ईमानदार पस्त हिम्मत होते हैं, उसे देखते हुये मैं इसका समर्थन नहीं कर सकता और इसका निरनुमोदन का संस्तर जो मेरे साथियों ने दिया है मैं उसका समर्थन करता हूं और मंत्री महोदय से निवेदन करता हूं कि इस बिल को तत्काल वापस लें। धन्यवाद।

SHRI N. P. CHENGALRAYA NAIDU (Andhra Pradesh): Sir, I support the Bill brought by our Finance Minister. There is no other way to bring out the money which is hidden by the blackmarketeers and others. This is the only way and he has gone all out to bring his money out.

Sir, in today's 'Hindustan Times', there is the Finance Minister's love letter written by Mr. Rajinder Puri. Sir, he says in that letter: "Sweet heart, I could not make a more open declaration of my love for you than this could I? Then why are you so shy, hiding yourself away from your darling Venky?" Sir, in that letter, he has come out and he wanted to marry the Black Girl. To marry the Black Girl, he wants dowry also. And to get the dowry, he has given all concessions—the bearer bonds will not be touched, and there will be no wealth-tax on it. Sir, I can understand if he collects the wealth-tax on

that. He is not even collecting the wealth-tax. So, he loves the girl so much and the dowry is so much that he has given all reliefs and all concessions for these people.

**SHRI SADASHIV BAGAITKAR:** Then, are you opposing the Bill?

**SHRI N. P. CHENGALRAYA NAIDU:** Sir, even though he has given all these concessions, people are not coming forward to give their daughter, the Black Money, to him. That is the trouble. Is he old or something like that, I do not understand.

**SHRI ARVIND GANESH KULKARNI:** Is that letter written by a lady or a male?

**SHRI N. P. CHENGALRAYA NAIDU:** It is written by Mr. Rajinder Puri.

**SHRI ARVIND GANESH KULKARNI:** What is the use of love between two males? What are you talking.

**SHRI N. P. CHENGALRAYA NAIDU:** No, no, it is about the Black Girl...

**THE VICE-CHAIRMAN (SHRI BISHAMBHAR NATH PANDE):** I would request Mr. Kulkarni not to talk of homosexuality.

**SHRI N. P. CHENGALRAYA NAIDU:** It has been written to the Black Girl. There is another thing which I want to quote from it:

"I hope there is no misunderstanding between us. I know that cruel circumstances has often thrown you in the company of strange men and exposed you to the seamier side of life. You are naturally suspicious. But believe me, sweetness, my intentions are strictly honourable. I am offering you marriage and respectability".

This is the respectability which also he is giving. Even now they are not coming forward. Because there is a case in the Supreme Court perhaps they are not coming forward and that

may be one of the reasons, to which Mr. Bhandare also referred. This may be a reason. But, Sir, this black money, if it is idle with these people and if it is not brought out for the development of this country, the poor people will suffer. For this purpose he has gone all out to bring out the black money and he has assured them that no tax will be levied on them and no wealth tax will be levied on them. So, this is a very good offer for these people. But one thing I want to say. When a good girl is taken away by the Mafia type people or some fellows, they will not leave her so easily. It is for Mr. Venkataraman to go and fight with them and get the girl back. Otherwise, it will not be easy for him to get the girl. Therefore, it is for him to take some stringent measures to get the black money released from these people. Sir, what are the causes that lead to the generation of this black money? Then, there is not only black money but there is also yellow money and there is red money. You call it black bonds if you call this black money black bonds. You call them black bonds, yellow bonds and red bonds. What is this yellow money? When our exporters export things, they bloat the prices and take this extra money from foreign countries and put them in the banks there. That is called yellow money. Then there is red money. When the other countries export something to our country, that bloat the amount that we have to pay here for those goods. It has come in the papers that the CIA and the KGB are doing it. These big countries use this money in elections and also topple the Governments with this red money. So, Sir, I do not know what our Finance Minister is going to do to do away with this yellow money and red money. This red money is also very dangerous. These big countries can spend that money and they can turn the tables on us. It is very dangerous for the Government. So, they must take action regarding this red money and yellow money also. Otherwise, if you only concentrate on this black money, there is no use. These other moneys also must be controlled.

[Shri N. P. Chengalraya Naidu]

Sir, why is this black money generating. I think the only reason is high taxation. Our hon. Finance Minister has himself said that when the taxes are reduced, he is getting more income-tax collections. That is true. So, when he believes in that he has to reduce the tax. When one man earns a lakh of rupees, if he has to pay an income-tax of Rs. 70,000, he will get only Rs. 30,000. That fellow will naturally try to conceal the income. That is how black money is generated. So, Sir, you have to do something to reduce the tax rate so that everybody happily pays the income-tax and they do not conceal their incomes. Now, for these Bearer Bonds there is no wealth tax. But the other wealth you are taxing. So many fellows are keeping their wealth, houses and other things in benami names and not in their own names. If it is in their names, the percentage of tax goes up. So, they are keeping it in other names and avoiding wealth tax also. To overcome this problem, you have to reduce the wealth tax also so that these benami transactions are not there. These are the two main measures which the Government has to take. There is no using of saying, what if we reduce the amount, we cannot get so much money for the welfare of the country. Definitely, you can get more. Some people say that the black money in the economy is ten per cent. This is not right. It may be about two or three per cent. But if you allow this to grow, this two per cent may become twenty five per cent soon. Hence, you should put this down with an iron hand and see that there is no black money in the country. For this purpose, you should take stern action.

Take, for example, the question of smuggling. Why is there smuggling? There are so many Indians in foreign countries. When they come to India to visit their relatives and so on, they give some presents. When you get it, Mr. Venkataraman wants 320 per cent tax on this. How is it possible?

If you increase the tax, you will be encouraging smuggling. That is why, from the Middle East, from Dubai and other countries ships come with smuggled goods and they are unloaded into boats here. You can purchase anything. Now, instead of bringing the thing and paying tax, customs duty and so on, you can purchase it in the market, on the roadside, at a cheaper price. There is no use of concealing these things. If you want a pen, if you want a scent bottle or a shaving blade, this is not allowed here. Everybody wants Gillette double-edged blade. This is not available in the market. But this is available on the roadside, from the smuggled goods. We purchase it. What is the use of saying we are not getting them? We purchase these blades. To avoid smuggling, you should allow these things to be imported. When I ask for an import licence, it should be given. Let the price be equal. At least, you will be getting the tax. You are not getting the tax now. Without paying the tax, they are getting these things in ships and selling them here, tapes and so many other things. I would request the hon. Minister to look into these things.

Now, Sir, another thing is that we have some motor manufacturers in our country. There are only two people. One is Fiat and the other one is Ambassador. These are rotten vehicles. One person took this car to Nepal. He wanted to be honest and he wanted to use our Indian car in Nepal. But the Nepal Government said that this is unfit to go on the roads. He could not use it. This is the condition of these cars. Here, you are not calculating the cost of manufacture and every year they are increasing the price by Rs. 10,000. Now, it costs Rs. 64,000. From Rs. 22,000 in three years, it has gone up to Rs. 64,000 and the Government has no control over them. The quality is also very poor. You do not touch Birlas and other fellows. At least, I can understand in regard to Tatas. They are manufacturing some better

stuff. The Premier is a better stuff. The worst of it is the Ambassador. The Government has no control over them. You do not allow the other people to come in. We have to purchase the imported cars in the black-market. You are encouraging this. To avoid this, you should give licences to more companies to manufacture cars. If you do this, there will be competition and the prices will come down and there would not be any blackmarketing.

Sir, I wish him success in his love affair with the black girl. At the same time, I would request him that he should look to the comforts of the other people also, and he should see that taxes are reduced and the customs duty is also reduced.

**SHRI JASWANT SINGH** (Rajasthan): Mr. Vice-Chairman, Sir, I rise to oppose the Special Bearer Bonds Bill, 1981. The hon. Finance Minister very assertively said and claimed paternity with this measure. I would like to remind him about an aphorism which talks of paternity always being questionable, whereas, maternity is an established fact. The hon.

5 P.M. Finance Minister is a very honourable man and it is an endearing trait to find quotations of poetry lacing the somewhat dry fiscal matters with which he has to deal. It is a reassuring sign of humanity. Specifically on the measure of whether black money should be controlled or not, whether this Bill should be opposed or supported, one has to go by the declared aims. The Finance Minister says that this bill is with a view to reducing liquidity in the economy, controlling prices and finally "canalising for productive purposes." In a vacuum one cannot question or dispute either of these things, that black, illegal money should be laundered and made legal is perfectly right, that prices should be controlled is unquestionable and that this money should go into productive use for the society's benefit is also perfectly acceptable. So far as the intended aims of this Bill are

concerned, there can be no dispute. It is when one puts these aims on the anvil of possible success that one begins to question whether the hon. Finance Minister's aims will be achieved or not achieved. I think the hon. Finance Minister is—I would slightly paraphrase it—in "most need of blessing and 'Amen' stuck in my throat". That is Macbeth, act one, scene 3, line 33.

Now if one were to apply the tests, the question of liquidity, the question of controlling prices and the question of putting into productive use this particular measure of the Government, I think a different scene emerges. Before that, however, one has to question the periodicity, the repeated number of times that such measures have been taken. I would like to have one very short quote on this subject. A lot of other hon. Members, both in this House as also in the other House, have quoted but they have not quoted this particular aspect which is in the hundred and twenty-third report which says, I quote:

“What has perturbed the committee more is that floating of one Voluntary Disclosure Scheme after another has helped in the creation of a class of tax evaders who not only kept on concealing their income and wealth, but had been taking advantage of immunities and concessions available in this scheme. The number of such tax evaders is not small. In fact, the representative of the Department of Revenue informed the committee during evidence, that a test check made by them had revealed that a large number of people have availed themselves of both the 1965 scheme and the 1975 scheme. In the circumstances, the committee feel that a far more prudent course for government would have been to provide in the 1975 scheme of Voluntary Disclosure, that a person who had already made a disclosure of his income and wealth under any

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earlier scheme, will not be eligible to make a declaration."

This is the submission that I wanted to make to the hon. Finance Minister. It is perhaps not too late to make such an amendment, and the thing that I am submitting for your consideration is that by enabling people to subscribe to such schemes with a kind of periodicity, is not one keeping the ill alive, one is, in fact perpetuating it. That to my mind is the most telling failure of this particular measure. This measure in any case is attempting to cure a symptom. It is curing symptom it is not attempting to cure the malady itself. The symptom is the creation and existence of black money. But why black money comes into being, that is not attempted to be cured by this particular Bill. The question in the minds of the subscribers who would go to these bonds would be that it does not matter if we do not subscribe here, five years from now, or seven years from now there would be another such amnesty and I think this kind of mentality, this routine periodicity of amnesty to tax-evaders defeats the very purpose which the Government has in mind—which is laundering of the money, regularisation of the money and legalising it. To that there can be no objection and that much would be acceptable and a welcome measure. I do not have much time I would like to quote..

THE VICE-CHAIRMAN (SHRI BISHAMBHAR NATH PANDE):  
You have only 14 minutes.

SHRI JASWANT SINGH: How much have I taken?

THE VICE-CHAIRMAN (SHRI BISHAMBHAR NATH PANDE): You have already taken 7 minutes.

SHRI JASWANT SINGH: On the test on the anvil of liquidity, I would not stand between the esteriasm of

the two economists as to whether 'liquidity' would in fact be drained or not drained, or whether it constitutes M 3 or some other category of liquidity. My submission would be that black money as such presupposes, a subscription to these bonds as such, presupposes that there is availability. Thereafter there is an incentive. Firstly is there availability and there in the bonds itself is there an incentive, such an incentive that the benefits accruing to the tax-evaders who are currently utilising that money in any particular form, thereby earning as much as 30 or 40 per cent return, would be negated and there are sufficient incentives now to launder that money and to legalise it. May I here just read out a small portion on the question of incentive:

"Whether even a concession of this order would be sufficient inducement for tax-payers who chose to evade paying taxes in the past can only be conjectured."

There is no certainty. A question mark is placed on the whole future of the bonds by the Supreme Court immediately the purchase dries up. I would proceed further by quoting:

"Much would obviously depend on the climate for compliance which the tax administration can create and also the expectations of tax-payers in regard to possible changes in tax rates on regularly declared incomes. It should, however, be plain to anyone that an asset like the special bonds provides a safe haven not only for past but also current incomes and therefore it would be too much to expect that people would not avail of this opportunity to reduce the burden of tax on their current incomes by putting in their current surpluses as well into the special bonds."

The hon. Finance Minister has answered this too but whether they put

it into the Special Bonds, or whether liquidity is drained off by the white becoming super-white is a matter of conjecture. I do think, however, that this aspect of routine periodicity, combined with an absence of sufficient incentives, though by itself it may appear as if there were great incentives, wealth tax, income tax, gift tax, capital gains—all these factors are there, lead towards a failure. This basic lack of incentive however, is in the absence of a proper climate of Confidence.

The third test which the hon. Finance Minister has placed upon himself is "canalising it for productive purposes". I do not know if encouraging subscription to these Bonds is indeed the best manner of putting this money into productive purposes. I could quite easily come up with suggestions, but then my suggestions do not have the weight of being implemented. I have no doubt in my mind that the hon. Finance Minister has given this matter very great and very considered thought. I would read out one more portion: "It would not be wrong to take the view that even if the Government did get the equivalent of Rs. 500 crores worth of bonds by way of conversion of foreign exchange and possibly, say a maximum of another Rs. 1,000 crores by direct subscription, the Government would, even then, in the process, have sacrificed principle and morality for temporary advantage." To most of us the present move is a confession of failure. This defeats the purpose behinds the bonds. To most of us the present move is a confession of the total impotence of the tax-gathering machinery. This is despite the fact that the enforcement agencies, at great cost to the Exchequer, have expanded many-fold without yielding corresponding results. The problem is that if one goes to Hardwar, one goes in the assurance that the waters emerging from the source of Ganga are pure and therefore, by dipping or bathing in the Ganga at Hardwar, one would be

purified. But if the origins, if Gomukh itself, were tainted, then any number of baths that one may take at Hardwar would be no good. The question here is of differentiating between the symptoms and the malady. The Special Bearer Bonds Scheme is an attempt to treat the symptoms. There are many reasons why we are facing a situation like this. Instead of going into an analysis of why we are faced with it, may I, through you submit to the hon. Finance Minister, a suggestion about these bonds? I would submit that past beneficiaries, that is, those who have subscribed to earlier schemes of disclosures, should not be permitted to be beneficiaries of this particular scheme. This should be a principle accepted for future schemes which, inevitably, would be brought about with a kind of routine periodicity. I would submit for his consideration, if you wish, why not leave these bonds open for subscription for ten years? Thirdly, if you do wish to canalise it for productive purposes, why not have, instead of subscription to the bonds, a deposit made in a Bank—in any case these are nationalised banks—and make the income and wealth arising from those deposits free from income tax? Why not consider monies utilised for charities, for rural drinking water, for rural health or any such kind of developmental activity, invested in a certain period, as eligible for such benefits as are now being granted to these bonds. Why not have a 'basket of options' instead of a single-point theory, like in family planning? Now you have a Special Bearer Bonds Scheme. Earlier you tried the Voluntary Disclosures Scheme. On an earlier occasion you tried something else. Why not have a basket of options because if you do wish to cure this ill once and for all, it has to be in this fashion? I think the conceptual remedy which is the most important aspect for eventual, essential success of the scheme, must comprise of three essential things.

Firstly, we have to have electoral re-

[Shri Jaswant Singh]

forms. This is beyond the pale of the hon. Finance Minister's consideration altogether. But the Gomukh, the Gangotri of all ills is ourselves. We create this problem. It is not just the Treasury Benches. We are equally to blame, and it is we, the politicians, who are to blame for creating the pollution at Gomukh itself. We start our political careers with a lie, when we talk of Rs. 35,000 as the set limit. And I think unless there is an electoral reform—a meaningful electoral reform—directed towards purifying Gomukh, such attempts are bound to fail. I would also submit that it is a very sad sight to see Indians failing within India but prospering outside. If the hon. Finance Minister were to carry out a study, which indeed he must have, as to why we fail in India and why do we prove a success outside, he would find that it is because of the conditions imposed here. Free the individual. It does not make sense to me. . . . (Time-bell rings). Just one minute more. I shall not take more time. As I was saying, it does not make sense to me that the hon. Finance Minister reduces taxes and at the same time brings the Special Bearer Bonds Scheme. It would have made sense to me if after a reduction of taxes the enforcement machinery would have been geared to act more vigorously. One more thing. This business of licences, quotas, permits is an aspect in which the politician, the businessman and the bureaucracy all act in a tandem. Unless we do something about breaking this chain here, there is no cure for the ill which afflicts the nation. It is with a sense of unreality that most of the time one participates in such debates. I would be grateful to the hon. Finance Minister to consider the points that I have made. I know that it is not in his power to make any amendments whatsoever in the scheme that he has put forward. I do submit that the scheme, even if it succeeds numerically in the monetary

sense, even if it succeeds in garnering, gathering a certain quantum of money, it would most certainly fail in the totality of the concept because this would certainly not lead to the eradication of the ill of black money.

**उपसभाध्यक्ष (श्री विश्वम्भर नाथ पांडे) :**

श्री रामानन्द यादव जी, आपके 13 मिनट हैं आपकी पार्टी की तरफ से। इसमें ही आप समाप्त करें।

**श्री रामानन्द यादव :** यह जो समय मिल गया यह भी आपकी कृपा है।

**श्री जी० सी० भट्टाचार्य (उत्तर प्रदेश) :** अर्द्ध को मौका कब मिलेगा? क्या रूल आप फालो कर रहे हैं यह मैं जानना चाहता हूँ। आप कोई रूल फालो करते हैं या जिसको चाहे वैसे ही बुला लेते हैं?

**उपसभाध्यक्ष (श्री विश्वम्भर नाथ पांडे) :** एक उधर से और एक उधर से बुलाया जाता है।

**श्री जी० सी० भट्टाचार्य :** तो फिर हम लोगों की बारी तो आएगी नहीं। आप इसी तरह से दोनों ओर को चांस दे रहे हैं और हम लोगों को मौका नहीं मिलेगा।

Sir, I want your ruling.

**श्री रामानन्द यादव :** आप उनको एडवाइस दीजिए कि वह सारे इडिपेंडेंट्स लोगों का एक दल बना लें तो उनको आसानी से टाइम मिल सकेगा। यही यहां की परिपाटी रही है।

**SHRI G. C. BHATTACHARYA:** I am only saying, without any disrespect to my friend Mr. Ramanand Yadav, that I want your ruling. At least you tell us the procedure you are following in calling the Members so that a uniformity may be followed every time. Will you spell out what...?

THE VICE-CHAIRMAN (SHRI BISHAMBHAR NATH PANDE): There is no ruling. There is no question of a ruling.

SHRI G. C. BHATTACHARYA: But you follow some procedure, Mr. Vice-Chairman. This House is run with a procedure. This House will be run well when there is a uniform procedure for conducting the business of the House. I am only trying to know from you, Sir, the procedure for calling the names of the Members of different parties.

THE VICE-CHAIRMAN (SHRI BISHAMBHAR NATH PANDE): The procedure is that first the recognised parties are given the preference and then the individuals.

SHRI G. C. BHATTACHARYA: Then it means that when the names of all the recognised parties exhaust the turn of others or Independents will come. (Interruption). Then, in that case, this procedure becomes your ruling and it should be followed uniformly every day. All right, I bow down to it. But if there is a violation any day, what will be the consequences, you can well understand.

THE VICE-CHAIRMAN (SHRI BISHAMBHAR NATH PANDE): You have taken nearly five minutes, which will be deducted from your time.

SHRI G. C. BHATTACHARYA: I was in dark about the procedure. But now you have mentioned the procedure and you have given your ruling. I would only wait to see whether your ruling is observed in the nature of a ruling of the Chair.

THE VICE-CHAIRMAN (SHRI BISHAMBHAR NATH PANDE): It is not a ruling; but it is a question of procedure.

श्री रामानन्द यादव : उपसभाध्यक्ष जी, वित्त मंत्री जी ने स्पेशल ब्येयरर बौंड के बारे में जो प्रस्ताव पेश किया है, मैं उसका समर्थन करता हूँ और श्री शिव चन्द्र झा

जी ने जो प्रस्ताव रखा है, उसका विरोध करता हूँ ।

उपसभाध्यक्ष जी, दुख की बात यह है कि जब कभी भी कोई अच्छा प्रस्ताव सरकार की तरफ से आता है तो मालूम ऐसा होता है कि अच्छा हो या बुरा, रि-एक्शनरी हो या प्रोग्रेसिव, समाजवाद की तरफ कदम बढ़ाने वाला हो या पूँजीवाद की तरफ, विरोध पक्ष के लोग केवल विरोध करना ही जानते हैं और ऐसा लगता है कि यह एक फैशन बन गया है । चाहिये तो यह था कि समाजवादी ढाँचे में . . . (व्यवधान)

श्री शिव चन्द्र झा : 14 बैंकों का राष्ट्रीयकरण हुआ था तो हमने उसका समर्थन किया था . . . । (व्यवधान)

श्री रामानन्द यादव : उपसभाध्यक्ष जी हम लोगों ने देखा कि प्रिवी वर्स बिल जब पास हो रहा था तो विपक्ष के लोग जनसंघ के लोगों ने उसका विरोध किया . . .

श्री शिव चन्द्र झा : गलत बात है । एक ऐसी हवा बना दी थी . . . (व्यवधान)

उपसभाध्यक्ष (श्री विश्वम्भर नाथ पांडे) : अगर आप वक्ता के हर वाक्य के बाद अपना भाषण जारी कर देंगे तो उससे सदन की कार्यवाही नहीं चल सकती ।

श्री रामानन्द यादव : श्रीमन्, मुझे लगता है कि विरोधी पार्टियों की बुद्धि भ्रष्ट हो गई है । इन्हें न समाजवाद से सरोकार है, न साम्यवाद से, न पूँजीवाद से, केवल विरोधवाद ही ये समझते हैं जो यहाँ ये बराबर करते हैं । इसलिए मैं उनसे अपील करूँगा कि जो कदम सरकार ने यह बिल लाकर उठाया है, उसका आप समर्थन करें ।

[श्री रामानन्द यादव]

उपसभाध्यक्ष जी, यह बिल कुछ मानों में निश्चित रूप में प्रोग्रेसिव है और सगहनीय है। इसलिए कि किसी तरह का कर नहीं बढ़ा। फाइनेंस मिनिस्टर साहब ने जो बजट पेश किया उसमें किसी तरह का सरचार्ज नहीं बढ़ा, जिसका फल यह हुआ कि यहाँ किसी चीज के भाव नहीं बढ़े। ब्लैक मार्केटिंग में होर्डिंग में कमी आयी। यह तत्काल फायदा हुआ। यह प्रोग्रेसिव मीजर था। इसलिए सरकार बावज़र ऐसे मीजर्स लाती रही है ताकि फाइनेंशियल इयर के अन्दर अधिक से अधिक बटके में कुछ पूंजीपतियों से कुछ पैसा ले लें और किसी न किसी रूप में वह दे दें। इस तरह के मीजर्स डोल पीटकर नहीं किये जाते।

उपसभाध्यक्ष जी, मैं ऐसा समझता हूँ कि इस बिल के लाने से पहले भी अनेक बार प्रोग्रेसिव मीजर्स सरकार द्वारा किये गये हैं ताकि ब्लैक मनी को हटा दिया जाये। जैसे मेरे मित्रों ने बताया, ब्लैक मनी किस तरह से बना है, क्या इसके अद्यगुण हैं, इसके विस्तार में मैं नहीं जाना चाहता हूँ। ऐसा तो सभी मानते हैं कि जो पूंजीवादी देश हैं उनमें भी ऐसा है, लेकिन जो नयी डेमोक्रेसीज हैं उनमें भी ब्लैक मनी है। अमरीका जैसा सुख सम्पन्न देश भी ब्लैक मनी से अछूता नहीं है। हर जगह यह है। एशिया के दूसरे मुल्कों में भी ब्लैक मनी 30-40 वर्षों से बराबर है और उनकी कोशिश रही है कि किसी न किसी रूप में उसको कंट्रोल किया जाए। अपने देश में भी चार पांच बार ऐसे प्रोग्रेसिव प्रयास किये गये। इसके अलावा आपने बौरोइंग सिस्टम को लागू किया। लोन्स प्लोट किये गये। रेट आफ इंटरेस्ट बढ़ाये गये ताकि लोग ज्यादा पैसा जमा करें। इस तरह से उसको थैश आउट करने के लिए उपाय किये गये। पहले

1951 में, फिर 1965 में वालंटरी डिस्क्लोजर स्कीम आई, ब्लाक स्कीम लायी गयी, फिर उसके बाद डिमान्ड-टाइजेशन किया गया। उसके अलावा भी अनेक मीजर्स सरकार लाती है ताकि ब्लैक मनी को खत्म करे।

मेरा अपना निजी विश्वास यह है कि ब्लैक मनी सोशलिस्ट कंट्रोल में कम है। जहाँ भी कैपिटलिस्ट हैं, जो कैपिटलिस्ट कंट्रोल है वहाँ ब्लैक मनी ज्यादा है। अगर आप ब्लैक मनी खत्म करना चाहते हैं जैसा झा जी ने कहा, धिरोधी दल के मित्रों ने कहा, भारतीय जनसंघ के लोगों ने कहा तो मैं भी कहना चाहता हूँ कि जब तक प्राइवेट प्रोपर्टी को खत्म नहीं करेंगे तब तक ब्लैक मनी को आप रोक नहीं सकते। हाँ, पैबन्द लगा कर एक स्तर तक आप रोक सकते हैं। हम इसको एक पैबन्द मानते हैं क्योंकि कपड़ा फटा हुआ है। तो उसमें पैबन्द लगा-कर काम चल सकता है। मैं ऐसा समझता हूँ कि ब्लैक मनी को ध्वाइंट मनी करने की कला हमारे देश के पूंजी-पतियों के पास बहुत है। मैं यह चाहता था कि सरकार कुछ मेजर्स ले। धिरोधी दल के लोगों की शिकायत है कि जो आनेस्ट टैक्स पेयर्स हैं उनके प्रति सरकार की कोई सहानुभूति नहीं है। ब्लैक मनी करने वालों को सुविधा दी जाती है लेकिन जो आनेस्ट टैक्स पेयर्स हैं उनके लिए भी सरकार ने कभी-कभी छूट दी है। एनहंसमेंट आफ द एक्जैम्पेशन लिमिट। इससे साफ जाहिर होता है कि गवर्नमेंट उनको भी सुविधा देने की कोशिश करती है। सरकार यह सोचती है कि केवल इस स्पेशल बीयरर बौंड से समूचा जितना पैसा आना है वह आएगा। मेरा अपना निजी विश्वास है कि यह

आने का नहीं है। इसके लिए आपको कुछ न कुछ व्यवस्था करनी होगी। फाइनेन्शियल ईयर एंड होने जा रहा है। मंत्री जी को आशा थी कि दो सौ करोड़ रुपये आ जाएगा लेकिन अभी तक नहीं आ सका। इस देश के लोग जो अपने को बड़ा भारी समाजवादी कहते हैं, प्रोग्रेसिव कहते हैं जैसा हमारे गंगू साहब और एडिटर करंजिया साहब हैं, ये सुप्रीम कोर्ट में चले गए सुप्रीम कोर्ट में जाने से अब वे लोग सब-सक्रियता देना बंद कर देंगे जब तक कि सुप्रीम कोर्ट फैसला नहीं दे देती ठीक वही हुआ। सुप्रीम कोर्ट में कैसे गया। सुप्रीम कोर्ट में कैसे जाने के कारण आज जो रिसर्पोस मिलना चाहिए था इस देश के पूंजीपतियों द्वारा यह रिसर्पोस नहीं मिल रहा है। इसलिए मेरा एक सजेशन है कि सुप्रीम कोर्ट इसका जल्दी से जल्दी फैसला करे। यह देखा गया है कि सुप्रीम कोर्ट हो, हाई कोर्ट हो, डिस्ट्रिक्ट कोर्ट हों ये जितने प्रोग्रेसिव मैजिस्ट्रेट होते हैं उन सब में बाधा डालते हैं। हम चाहते हैं कि सुप्रीम कोर्ट, हाई कोर्ट और जितने डिस्ट्रिक्ट कोर्ट हैं उनको इसके ऊपर जल्दी से जल्दी फैसला करना चाहिए। ताकि देश का नुकसान न होने पाये। आज ऐसा लग रहा है कि इससे देश का नुकसान होगा। मेरे कुछ सजेशंस हैं। पहला सजेशन यह है कि अगर आप ब्लैक मनी को खत्म करना चाहते हैं तो 100 रुपये के नोटों की डिमोनोटाइज कर दिया जाए। जितनी जल्दी करेंगे उतना ही आपको फायदा मिलेगा। मैं सरकार को दूसरा सजेशन दूंगा कि आप इनकम टैक्स रेड करें। जो टैक्स होर्डर्स हैं, बड़े-बड़े घराने के लोग हैं जो टैक्स नहीं देते हैं, ब्लैक मनी का जिन पर संदेह है उनके ऊपर जल्दी से जल्दी टैक्स

रेड डाले। प्युनटिवे मेसर्स लेने की जरूरत है। अगर आप पायस कानून बनाकर इस देश को डील करना चाहते हैं तो यह असंभव बात है। आप उनके साथ डील नहीं कर सकते। रोजमर्रा की चीजों की जो लोग होडिंग करते हैं ब्लैक मनी से, इस देश के पूंजीपति जो होडिंग करते हैं उनको निकालने के लिए सरकार को जल्दी से जल्दी कार्रवाई करनी चाहिए। ताकि सामान बाहर जा सके और चीजे महंगी न होने पाये। उपसभाध्यक्ष जी, यह एक मानी हुई बात है कि सरकार के पास लिस्ट है। कितने व्यक्ति टैक्स इवडर्स हैं, कितने पूंजीपति ऐसे हैं जो ठीक प्रकार से टैक्स नहीं देते हैं, इसका सरकार को पता होगा। जब तक आप प्युनटिव रूप से कोई प्रावधान नहीं करेंगे तब तक यह समस्या हल नहीं हो सकती है। गांवों में आपने देखा होगा कि अगर कोई किसान तकावी का पैसा नहीं देता है तो उसके मवेशी खोल लिए जाते हैं, उसके बैल खोल लिए जाते हैं। लेकिन दूसरी तरफ ये पूंजीपति लोग हैं जो करोड़ों रुपयों की चोरी करते हैं। इसलिए जरूरत इस बात की है कि इस संबंध में कोई सख्त कदम उठाया जाये। हमारे देश में यह हालात हो गई है कि जो टैक्सों की चोरी करता है, जो पूंजीपति है, जो काला धन रखता है, उसको कुर्सी मिलती है, सम्मान मिलता है, इज्जत मिलती है। मैं समझता हूँ कि हमारा जो यह इनकम टैक्स डिपार्टमेंट है यह करप्ट डिपार्टमेंट है। इस विभाग में ऐसे लोग हैं जिनकी सांठगांठ पूंजीपतियों से होती है। इसलिए इस विभाग को रिवाइव करने की जरूरत है, रिआर्गेनाइज करने की जरूरत है। जब तक आप इस विभाग को रिआर्गेनाइज नहीं करेंगे तब तक इसमें कोई सुधार नहीं हो सकता है।

[श्री रामानन्द यादव]

इस विभाग के कर्मचारियों और अधिकारियों को एज्यूकेट करने की भी जरूरत है। इन लोगों को यह बताने की जरूरत है कि हमारी एक सोशलिस्टिक सोसाइटी है; इसमें आम आदमी का ख्याल रखा जाता है। मैं समझता हूँ कि जब तक आप इन लोगों को इस प्रकार से एज्यूकेशन करने की व्यवस्था नहीं करेंगे तब तक कोई लाभ नहीं होगा। जब रेड होनी होती है तो इस विभाग के लोग पहले ही पूंजीपतियों को बता देते हैं कि आपके यहां रेड होने वाला है। आज हमारे देश में हालत यह हो गई है कि देहातों में और शहरों में लोग बड़ी बड़ी बिल्डिंग बना रहे हैं। जो स्क्वेर्स मैटिंग्रिल है, जैसे सीमेन्ट है, लोहे की छड़ें हैं, वे इन लोगों को आसानी से मिल जाते हैं। इन बिल्डिंगों में फिर ब्लैक मनी जेनरेट होता है। इसलिए जरूरत इस बात की है कि इस ब्लैक मनी को जेनरेट होने से रोका जाये।

मैं यह भी कहना चाहता हूँ कि इम्पोर्ट और एक्सपोर्ट से भी ब्लैक मनी जेनरेट होता है। इसको चैक करने की जरूरत है।

**उपसभाध्यक्ष (श्री विइवम्भर नाथ पांडे) :** आप कृपया जल्दी समाप्त कीजिए।

**श्री रामानन्द यादव :** मैं यह कहना चाहता हूँ कि इम्पोर्ट और एक्सपोर्ट से जो ब्लैक मनी जेनरेट होता है उसको भी चैक किया जाना चाहिए। इसके अलावा आपका जो रेवेन्यू इंटेलिजेन्स विभाग है और इसी प्रकार की जो दूसरी एजेंसीज हैं, उनको तरफ भी ध्यान देने की जरूरत है। जब तक आप इन

विभागों में सुधार नहीं लाएंगे तब तक कुछ नहीं हो सकता है।

अन्त में मैं सरकार से यह आग्रह करूंगा कि सचमुच में हमारी यह सरकार समाजवादी व्यवस्था कायम करना चाहती है और यह बात हमने अपने मनीफेस्टो में भी कही है कि हम इस देश में समाजवादी समाज लाना चाहते हैं, इसलिए अगर हमारा यह उद्देश्य है तो हमें इस काले धन पर कठोरता से अंकुश लगाना चाहिए। हमारे समाज में ऐसे लोग हैं, वकील साहब हैं, डाक्टर साहब हैं, साहू जी हैं, ये लोग धन कमाते हैं। हमारे समाज में ऐसे भी लोग हैं जो टैक्सों की चोरी करते हैं।

[श्री उपसभापति पोठासोन हुए]

इसलिए जरूरत इस बात की है कि टैक्सों की चोरी को रोका जाय। मैं चाहूंगा कि विरोधी पक्ष के लोग इसमें सरकार को सहयोग दें। जो लोग समाज में टैक्सों की चोरी करते हैं उनको सम्मान नहीं दिया जाना चाहिए। जो लोग ब्लैक मनी जेनरेट करते हैं उनके खिलाफ आवाज उठाई जानी चाहिए। इन शब्दों के साथ मैं सरकार ने जो बिल पेश किया है उसका समर्थन करता हूँ और श्री शिव चन्द्र झा के प्रस्ताव का विरोध करता हूँ।

**MR. DEPUTY CHAIRMAN:** Before I call Mr. Ramakrishnan, I would like to state that as you all know, this evening there is an important lecture going on and the honourable Finance Minister has also to go there—in fact, he has already gone there—and he will be coming late, so it will not be possible for him to reply today. What I propose, therefore, is that—all speeches and his reply will be finished today and tomorrow at 11 A.M. the Finance Minister will

reply after which there will be vote. After that there will be Calling Attention. Tomorrow being the last day Special Mentions will be there in large numbers. The debate on this will be finished today and tomorrow only the Finance Minister's reply will be there.

**SHRI NARASINGHA PRASAD NANDA:** You cannot exhaust the list today.

**MR. DEPUTY CHAIRMAN:** This has to be finished today.

**SHRI GULAM MOHI-UD-DIN SHAWL** (Jammu and Kashmir): Why not you allow us also to join the function where Mr. Callagen will be present? Why accommodate us by closing at six? The list cannot be exhausted today.

**MR. DEPUTY CHAIRMAN:** It is only to accommodate you that the Finance Minister's reply has been put off. The debate has to be finished today itself because tomorrow being the last day will be a crowded day. We will have a lot of business, such as Calling Attention and a large number of Special Mentions and certain Bills. Yes, Mr. Ramakrishnan.

**SHRI R. RAMAKRISHNAN** (Tamil Nadu): Mr. Deputy Chairman, the hon. Shri Venkataraman has saved me from embarrassment, since I rise to support this Bill on behalf of our Party with mixed feelings. If he was present here, it would have been very embarrassing for me to make some of the critical observations which I want to make, as I have great respect for his honesty and integrity.

I would like to know from him about his repeated assertions on the paternity of this Bill both in the other House and in this House. He said that he is the father, the mother, the brain, and everything. While I do commend him for thinking of this Bill, I think it can at best be only a palliative, not a permanent cure. My friend, Mr. Bhandare from the other

side, while speaking on this Bill, said that black money is like cancer, and as all of you know there is no cure yet for cancer in the world. Similarly I think there can be no permanent cure for black money. But what surprises me is that the Government has thought it fit to come out openly in this Bill to recognise black money itself. The Bill itself talks of black money. We all know that such a thing as black money exists, but it is not defined anywhere as to what black money means. So it becomes rather curious when the Government which has to look after tax evasion and things like that recognises such a thing as black money in the Bill.

Secondly—of course this is rather technical—the face value of this Bill, namely, Rs. 10,000 is stated in the preamble itself and not in the definition clauses as is usually done. This is a very small thing. What I do not understand is that when it is freely said and debated and written in the press that the steel industry has Rs. 500 crores of black money, the film industry has Rs. 100 crores, the cement industry has Rs. 200 crores of black money—people in authority and out of it talk about these—why the Government is not able to unearth this black money from those people in the legal way through income-tax raids and all that. Is it because of political corruption? That is the logical conclusion one arrives at now-a-days we hear that income-tax raids are stepped up. What is the follow-up action taken against the industrial houses after the raids? They have got pressure lobbies, they have politicians and they have people in the Department. They do so many things and get away as if nothing has happened. In these days it has become a fashion for industrial houses to be raided. It is just like having T.V. sets and now-a-days having video sets. It is prestigious for an industrial house to be raided. If an industrial house is not raided, then there is something suspicious.

[Shri R. Ramakrishnan]

Or, it may be that he has not reached that affluent class or that influential class where the raids mean nothing. People have become immune to raids these days. So, the Government must do something more drastic than this sort of palliative thing and, if in the wisdom of the Government, they feel that the stage has now come in the Indian economy when black money should be rooted out once and for all, then, Sir, the only answer is demonetisation. And, Sir, keeping in view the realities of the situation, I strongly urge upon the Finance Minister to go ahead boldly. (*Time bell rings*). Sir, I have got nine minutes and I have hardly taken four minutes. I would request you to give me more time.

Sir, I would request the Finance Minister to come forward boldly with the measure of demonetisation. Taking the practical difficulties into account, let him start with demonetising the 100 rupees notes and that is the only answer if black money is to be flushed out of the country once and for all. Sir, he has in his reply to the Lok Sabha debates said that he is not entirely ruling it out. He has also said that he is using all the methods, *Sama dana, bheda and danda* and that *danda* is going to come and that he will come forward with other tax schemes if this scheme fails. He has said so many other things. But I would request him to consider this suggestion because that is the only way in which the Indian economy can be allowed to have some relief for some twenty-five or fifty years. This was tried in Argentina with great success and I would request the economists and the politicians and the demigods in the North Block to apply their minds to this.

Then, Sir, about the scheme itself: The time involved is up to the 30th April. Even though for the financial year 1981-82 they have taken it as Rs. 800 crores, naturally, the scheme

is to close on the 30th of April and the time is too short. Perhaps, Sir, if the Finance Minister wants the scheme to be a little more efficacious think some more time has to be given. There is the case pending in the Supreme Court and their judgment will not come so soon and the Supreme Court will take its own summer recess and all that and, so, Sir, this should be kept in mind.

There is another thing also. There is a free talk these days that some quota system is being evolved for collecting this money for these Bonds and the Chambers of Commerce all over have been talked to by influential people to see to it that they ensure that the scheme becomes a success. If that is so, then, Sir, the Government should have some rethinking on this because this way they are exposing who the persons are. That means that they know who the persons are who are having the black money, but they want to be hypocritical only. Then, Sir, there is the talk of the CIA and the KGB and all those things to the effect that they are going to buy these Bonds. Sir, I would request the Finance Minister not to bother about it. Already these agencies are there in this country and their presence is there in a large measure and by buying these Bonds they are not going to disrupt the economy any further. Of course, one thing in this connection I would like to say. If he is going to endanger political corruption—although I am digressing from my point. I will have to say this—I would like to say that even in our State of Tamil Nadu, the Agriculture Minister there has said that a number of corruption cases are there against the politicians including the former Central Ministers. Some people have tried to take advantage of what he has said and are trying to make it appear that he has talked about the Central Ministers indulging in corruption. Sir, he has even clarified in "The Hindu" of yesterday that what

he said was about the former Central Ministers. He has clarified that he has said that cases are there against certain former Union Ministers only. Because much has come out in the papers about this, I have to clarify it. He has not said that the present Central Ministers are indulging in corruption. So, he is not against any individual Minister.

Then, Sir, I would say that he has, in his Budget, reduced taxes to the extent possible and exempted a number of people from the tax net. I would say that in this country you have got to encourage people and you have to give incentives to them for a man has to earn money in the hard way. We have got, at some stage or the other, to reduce the tax slab. For instance, there is a person, a professional, say, a doctor, who also has black money these days, or there is a lawyer—there are so many professionals—and suppose they are having a huge amount of black money. They will stop making it if you say that if they earn Rs. 75/- they can give fifty rupees to you and retain the balance of twenty-five. This way they will have the incentive to do their work and earn in the proper way and this is the proper way and this is the only way you can arrest the flow of black money.

With these words, Sir, I thank you and I support the Finance Minister and wish him all the best. He says that he hopes to succeed in his scheme. But, Sir, if he does not succeed, let him spare us further tax burden and let him go in for demonetisation. Thank you, Sir.

**SHRI SANTOSH KUMAR SAHU** (Orissa): Sir, I stand to support the Bill and oppose the Motion that has been moved by Mr. Jha.

Sir, if you critically analyse the objectives of this Bill, you will find that there are three basic grounds which have been covered. Sir, the first point is that black money has to become a serious threat to the national

economy and the Government admits that black money has become a serious problem to the national economy. And to canalise this money for productive purposes this Bill has been brought up. The last point is, for effective economic and social planning it is necessary.

Sir, if we analyse three basic points, the first point which comes before us is, what is this black money? After hearing all the hon. Members, I think from both the sides, everybody agrees that it is a deep malaise in our national economy. This black money creates a lot of evils, it helps hoarding and black marketing and invokes inflationary trends, by causing artificial scarcity of rare materials, and a lot of evils in our national economy. It has been said even to the extent that it moves another parallel economy, so that there is a large-scale suffering of the people as a whole.

Sir, it is unanimously agreed that this evil of black money must be eradicated. Black money has a pernicious effect and as Mr. Bhandare has said, it is a cancerous growth on our national economy, which is going to jeopardize the national goals and objectives. Sir, I want to express at this point that though we agree, black money and the white money have no different currencies nor one can find out at one place the whole thing. Income-tax raids have been continued. Black money has so much polluted the atmosphere that it is not possible to fizzle out the whole scheme at a time. So under compulsion this sort of Bill has come. The Finance Minister wants to have Rs. 1000 crores roughly of black money into the national stream for productive channels. Sir, as you also know, it is not only a national menace, but it is a menace in many of the developing countries and developed countries with different political set-ups or administrations. We have seen, in the socialist countries where there is no right to even private property, where there is almost no

[Shri Santosh Kumar Sahu]

private trade, black money is creating a menace in their economic life. It is very rightly said that we must try to curb out this malaise from our national economy and try to find out certain strong measures by which this menace can be removed from our country. Now, Sir, this Bill has come. As has been pointed out, and as Mr. Bhandare has also pointed out, I have all the apprehensions. Sir, a man who purchases bonds of Rs. 10,000 today, after ten years, will get Rs. 12,000, on maturity. Apparently, from the face value it seems that the rate of interest is 2 per cent, which is the minimum, the incentive given to the man who purchases these Bearer Bonds of 1991. But Sir, my apprehension is this. If we calculate, a man who has white money of Rs. 10,000, if he goes to the street how much he is taxed. Taking the cumulative effect we find that there is a reasonable apprehension that it will keep the morale of the honest taxpayer too much defeated and it will create a lot of apprehensions in his mind. This is a very important thing.

The Finance Minister has been trying to search this black money, which is running a parallel economy in the country. Sir, you must take the risk. Either you will the serpent or the serpent kills you. This is the problem. Earlier also, we introduced such schemes, but they were not totally successful. In 1975 we tried to declare the accounts and give some scope for the traders. Some scope was given for the traders. Only 200 crores of rupees came. Now, the Finance Minister is expecting that he will mop up about 1000 crores of rupees. It is a tip of the iceberg. It is a fringe of the problem. There are many other points. We have to go deep into the problem. We have to go to the root of the cause as to why there is this black-money and what is the size of the parallel economy. The International Monetary Fund

Committee has told that the root cause of this problem is the tax structure which is very heavy and the harassment which a tax assessee has to face. It sometimes creates in him a tendency for this black-money and hoarding. This is one of the problems which the Finance Minister should look into. I am very happy and I congratulate him that in this Budget he has tried to relax the income-tax law by which many middle-class people at the fringe level of income-tax will not be required to go through this pernicious process. It is more important to know the source of black-money or unaccounted for money. Some of the big business houses or big businessmen are doing legal transaction and certain other transactions of which they are not keeping records and, in this way, black money is generated by these undertakings. It creates vested interests which give further rise to black-money vitiating the economy of the country. We know that the famous economist, Prof. Nicholas Kaldor, estimated that 200 crores of rupees is the unaccounted money in the nineteen hundred fifties. Twenty-one years later, in 1971, the Wanchoo Committee estimated that it is more than 1400 crores of rupees. Now, it is more than 10,000 crores of rupees. This amount of black money will increase in future. Therefore, we must be very careful. The Finance Ministry must look to it and find out how this problem can be solved. For that, we require the structural reforms in income-tax and other taxes so that the people, those who are honest tax-payers, would come forward to pay the taxes. We agree with the Finance Minister that this black-money is a sort of serious threat to the national economy and this Bill has been brought forward in order to canalise some portion of the black-money. For that, we need effective economic and social planning. We have to go to the root cause as to how this can be eradicated. This has become a gigantic problem. For that,

structural reforms are needed. Of course, we are very happy that the Government is aware of it and a Taxation Reforms Committee headed by Mr. L. K. Jha, has been appointed which will go into the tax structure and the problem of tax evasion by the big houses. Now, it is very important that these points are carefully looked into by the Finance Ministry. Definitely the income-tax raids must continue so that there is check on this black-money. But this Bill is the necessity of the times. The Finance Minister has brought it because he cannot mop up 10,000 crores of rupees with raids and this money is multiplying in this country. Therefore, I stand to support this Bill. It is timely. I feel that what the Finance Minister has said in the Lok Sabha about *Sama*, *Bheda* and *Danda*, as enunciated in *Kautilya's Arthashastra* as effective steps and action should be taken to eradicate this evil and these steps must be found out.

SHRI BHUPESH GUPTA: Sir, I rise, unlike our friends there, to oppose the Bearer Bonds Scheme. This scheme has been universally condemned, practically by all sections of the press, including the ones that support normally the present Congress (I) Government. It has also been condemned by the economists in the country, the whole lot of them.

Sir, as far as the press is concerned, it is not possible for me to give all the quotations. But let me quote the 'Times of India' which came out with an editorial within two days of the promulgation of the Bearer Bonds Ordinance on the 14th of January. The editorial was captioned, "Black Money Bonanza", and the editorial rightly commented, I quote: "Owners of black money have never had it so good!" This is the comment of the 'Times of India'. Then, Sir, another newspaper, the 'Business Standard' of Calcutta observed on the same day i.e. on the 14th of January,

and I quote: "Hoarders, racketeers, blackmarketeers and the ever-expanding population of black money operators could not have dreamt of a better New Year gift than the bonanza offered in the form of Bearer Bonds by Mrs. Gandhi's Government." In similar strain, all the leading newspapers of the country, including the 'Hindustan Times'—edited by a Member of this House, Mr. Khushwant Singh, have written.

Then, Sir, we have the damaging remarks in connection with a case or a certain petition on this issue before the Supreme Court. The remarks came from several Supreme Court Judges. I am sure the hon. Minister is aware of how the Supreme Court Judges reacted to this Bearer Bonds Scheme and made very caustic remarks. Nothing seems to have upset the Government. Then Sir, there have been many other criticisms and I need not go into them and it will take time.

Now, Sir, I wish to make one thing very clear. This is not that innocent a scheme formulated by the Government. I make bold to say that this scheme is the result of a collusion, of a deal between some people high up in the Government on the one hand and the monopolist and the black-money hoarders on the other. The deal has been backed up by the corrupt officials and politicians who have a stake in this Bearer Bonds Scheme because they would be in a position to escape the arm of law by investing in the so-called Special Bearer Bonds. Such a deal never takes place without the collusion and the liaison between those in power and those others who hoard the money. Sir, you will remember that when the bullion was auctioned, we came out against it and we said that there was a deal. And we stand vindicated today by the Puri Report. I am sure, some day, we shall stand vindicated when we say that behind this black-money

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Bearer Bonds Scheme, there is a collusion, there is a deal, and it has been done with the full knowledge that there are some people identified, who would be investing this money in the Bearer Bonds Scheme. In fact with an understanding with them, this scheme is brought into operation. That is why, Mr. Venkataraman, our friend, is so convinced that there will be an investment of Rs. 200 crores in the current year, 1980-81, and that there will be an investment of another Rs. 800 crores at least in the next financial year, i.e. 1981-82. Where does he get the courage from? Where do the convictions come from?

6 P.M.

SHRI NARASINGHA PRASAD NANDA: Sir, none of the Finance Ministers are here. (*Interruptions*)

MR. DEPUTY CHAIRMAN: There is a Minister sitting here. The Finance Minister will be coming just now.

SHRI BHUPESH GUPTA: This is an act of corruption. I charge the Government—I am not concerned with individuals here at the moment—with having entered into one of the most shameful, blackest, scandalous, ignominious economic deals with anti-social profiteers, blackmarketeers and black money hoarders not only within the country but outside. This charge remains. I will not be in a position to prove it in the absence of a thorough inquiry by a tribunal and I do not know whether there will be such an inquiry. But let the nation know that we have information that it has been planned, secretly discussed and then there had been some talks and negotiations. But the scheme was conceived and the Ordinance was promulgated. It has been born in secrecy. Sir, corruption is the birth history of this and I know what will happen. Corrupt officials will invest now. You will

not be able to catch anybody. I know some relatives—I will not mention specifically—of some of our Ministers and ex-Ministers and others who have accounts in Hong Kong, Frankfurt, Switzerland and in the United States of America.

DR. RAFIQ ZAKARIA (Maharashtra): And in Moscow.

SHRI BHUPESH GUPTA: Well, I do not know, may be. I have no knowledge. They have some accounts and these will be now invested in bearer bonds, illegally held money, crores and crores of rupees will be steadily transferred to India because bonds are already selling in some of these countries. Sir, this is another thing. Now you will ask me the names. Then you will ask me do not mention the names. But if you provoke me, then I will mention the name. But do not ask. I do not utter such statements unless I have names, numbers, some idea of the amount that they have, may be a little exaggerated, because how can I get the exact figure. But some such thing I have. So, that will be there. It is a perfect political deal. A deal that corresponds with other deals.

Our friend, Mr. Venkataraman is saying everyday how he has reduced the taxes, the marginal taxes from 67.2 per cent to 66 per cent, and this year again reduced the surcharge by 5 per cent from 7.5 per cent to 2.5 per cent. The other day in Bombay he promised that it would be brought down, marginal taxes to 50 per cent. All the time he is promising to them, the big business people, that their taxes would be brought down to 50 per cent marginal taxes. I do not know. His speeches are there. So, this is the lie. This is a part of the deal, appeasement of black money. And we know many transactions have taken place during the last one year where kick-backs and pay-offs have been there. These monies will now come in bearer

bonds. They will be invested, I have no doubt about it. Yet, you may have the satisfaction of mobilising this money. Corruption and then mobilisation. Some day, we will hear that the bandits of the Chambal valley have been asked to deposit their money and granted immunities because we have to mobilise money to meet our budgetary difficulties. Is that the way to meet the budgetary deficits and the budgetary difficulties? I would ask you. Why not offer them then? They are very honourable. The Chambal valley bandits are much more forthright and honourable than the cowards, the traitors, the black money holders and the anti-social hoarders. These bandits come and loot openly. But these people corrupt the Ministers, buy up officials and invest in black money and ultimately some of them even get Padma Bhushan. Is it the way? (*Time-bell rings*). Sir, I have just started. You know very well that we are not concluding the debate today. This is the way we are treated. Why should we suffer?

I am finishing. I am also tired. I do not feel like speaking about it. What is there? What has come of us that we are discussing these things? What has come to us that we discuss the black bonds scheme? Some day, we shall be discussing Chambal money recovery for the Budget and the question of giving immunities to the Chambal dacoits for the services they have rendered to the nation! We shall be discussing this perhaps in Parliament, if this is the rate at which we are going. Sir, I will give you one or two examples. My friends, you do not know things. You suffer when the elections come. It is they who mess up the things, these two or three benches. They mess up these things. Not all of them. Some of them. You think, we do not know? We know where the money is and how it is passing. Everybody knows it nowadays.

There were three schemes earlier. There was the Tyagi Scheme of 1951, the disclosure scheme. Then, there was the 1965 Finance Act amendment, the block scheme. This was the second scheme. The total money disclosed in fifteen years was Rs. 267 crores. Out of this money, the Income-tax levied, the revenue earned, was only Rs. 61.23 crores. This is all that we got. Then came the Emergency scheme of 1975, the Voluntary Disclosure Scheme of 1975. A sum of Rs. 700 crores or so was disclosed. On this, we got some money as tax. About this, the Public Accounts Committee of which Mr. Narasimha Rao was the Chairman had stated in their 123rd Report:

"The representatives of the department of Revenue conceded in evidence that the actual addition to the economy of the net wealth is not Rs. 841 crores, but may be of the order of Rs. 200 crores."

Then, Sir, the Wanchoo Committee had earlier said:

"After careful consideration, we have come to the conclusion that some remedial measures should be taken immediately if the problem is to be tackled effectively.\*

That Committee recommended demonstration, ceiling on cash holdings, acquisition of movable property. Then, they said:

"The bearer bonds scheme is a poor substitute even for the disclosure as it can cover only black money which is not invested and is lying in cash."

This is the finding of the Wanchoo Committee. The Wanchoo Committee was against such schemes. The Public Accounts Committee was against such schemes. All the suggestions which have been made up to this time are against such schemes. Yet, we have such schemes by the Gov-

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ernment. Sir, this only shows that the Government does not care even for the opinions of its own committees. Mr. Narashimha Rao was the chairman of the PAC. They made some observations of that type. (*Time bell rings*). Kindly bear with me for a minute because this is what nobody has mentioned and here I think it necessary to show you one or two things. This is what is said in the Wanchoo Committee's report, I quote:

"We were informed by the Central Board of Direct Taxes, that there were several instances of the same set of persons taking advantage of all the three disclosure schemes, which would belie the theory that such schemes help to rehabilitate the repentant tax-evader who is desirous of mending his ways ... We consider that a disclosure scheme is an extraordinary measure, meant for abnormal situations such as after a war, or at a time of national crisis. We are convinced that any more disclosure schemes would not only fail to achieve the intended purpose of unearthing black money but would have a deleterious effect on the level of compliance among the tax-paying public and on the moral of the administration."

These are the remarks. Now, Sir, going back to the history, in the 1958 Professor Kaldor was brought to this country to investigate these things. He suggested an integrated system of taxation. According to him, unaccounted money was of the order of Rs. 200 crores. Those recommendations were not implemented faithfully. Then the Wanchoo Committee was appointed in 1971 which said that the unaccounted money was of the order of Rs. 1400 crores. They also submitted an interim report which the Government sought to suppress and did not finally publish. In this they recommended demonetisation. These recommendations were not accepted. They have expressed

strongly against such things as the Bearer Bond Scheme and some other schemes. Parallel economy is not attacked. About parallel economy in our country there are various estimates given. It is not just in the form of money.

Parallel economy represents not only money but investment in buildings, jewellery and other trades. How much cash is held and how much otherwise is held, I cannot say, but it is estimated that about Rs. 25,000 crores to Rs. 30,000 crores would be the order of parallel economy in our country. And it has been built up by whom? It has been built up by the multinationals, by the monopolists, by other traders and so on. (*Time bell rings*); I am finishing. Now nothing is being done. Mr. Venkataraman has given them the licence. And surprisingly, in the other House Mr. Venkataraman has said that these people, these black-money holders, are making sacrifices in buying the Bearer Bonds. Do you know what he says? He says that 10 years hence the value of money will go down. Rs. 10,000 or Rs. 12,000 will become Rs. 6,700 after ten years. So, Rs. 3,300 they are sacrificing; this is the sacrifice they are making. Therefore, not only we are rewarding them, but the black-money holders are the martyrs, are the sacrificers. I do not know whether Mr. Venkataraman will propose that the black-money holders should be given Tamra Patra, because they are the patriots, they are making such sacrifices! Now such things are being uttered by the Minister. He calculates it. The money value will decrease because of the operation of the black market, the inflation rate will be 7 per cent and then Rs. 10,000 would become Rs. 6,700. Thus they are sacrificing Rs. 3,300 after 12 years. What a wonderful thing? This is the logic (*Time bell rings*). Sir, you are ringing the bell. I do not wish to take too much time. I have given you enough things. We have had the experience of the pre-

prove its economic absurdity. He expects some money from it. My quarrel is not how much money he will get. Even if you get Rs. 1,500 crores, black money remains black money, crime remains crime. If by committing dacoity, you get, instead of Rs. 10,000, Rs. 20,000, it does not mean that dacoity becomes acceptable to me. That is no argument for me. Those who are morally decrepit, those who have lost the moral face, those who have become bankrupt would mobilise the resources from the top multinational big business or others. These are the people who now worship the black money and you say, "they are the people whose help I need to build up the national economy". Yes, the black money should be attacked, some Members have said that.

Now how the money will be spent? You know it will itself be a parallel economy. Every note will be a parallel economy. Collateral loans you can get by mortgaging the Bearer Bonds. Money will be got from the bank. It will pass on sometimes at a premium, sometimes at a discount. And all the children of the Ministers and ex-Ministers, their family members who have over the years accumulated huge fortunes in numbered accounts in the Swiss banks and elsewhere will be absolutely free to bring this money back to India and present it to their relatives as Bearer Bonds. You will not have the right to ask them, "where did you get it?" You have no right. Can you imagine more corruption?

MR. DEPUTY CHAIRMAN: Now please conclude.

SHRI BHUPESH GUPTA: All I say is, I do not have words of condemnation.

MR. DEPUTY CHAIRMAN: You have already said enough.

some other occasion.

SHRI BHUPESH GUPTA: . . . to prove its economic impossibility, to

SHRI BHUPESH GUPTA: In private life, we condemn rape and similar other crimes. This falls in that

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category in economic life. A monstrous, sinister and most heinous crime this Government has committed. And it will one day regret that it committed such a crime because those whom they are seeking to appease because of their collusion with them, will let them down. These are warnings. The monopolists and the black-money-hoarders know how to strike against the very hand that feeds them. I oppose this Bill. I oppose this Ordinance. And I can only express the nation's condemnation and anger. I am sorry that some of my friends, because of party whip, had to speak for it. I wish some of them had not spoken because I do not believe that in their heart of hearts they would support it. Can they reconcile themselves to this dark deal which Mr. Venkataraman and others in the corridors of power have entered into a deal with the tycoons and thugs of the parallel economy. Sir, it seems you are very satisfied with this black Bearer Bonds Bill. All right, I condemn it and I sit down. Some amendments are there. We will see.

SHRI G. C. BHATTACHARYA: Mr. Deputy Chairman, Sir, I rise to oppose this Black Bill dealing with black money. I also support each and every word which Comrade Bhupesh has said.

But I want to add that this political deal has got two or three very serious implications. This political deal will not only expedite the establishment of an authoritarian and family rule but it will also, in that process, destabilise this country and may lead to balkanisation because of foreign ramifications. As some of the very important economists have said, intelligence agencies of foreign countries may take advantage and will take advantage of it. Earlier they were doing it clandestinely but now they will do it openly. Not only would they intensify their activities now, but they would also try to see that this country is surprised to accept their ideas and to

go to their blocs. So, the object of this Bill will be self-defeating.

Now you may, Sir, say, what are your concrete suggestions? The ostensible object of this Bill is to control black money in order to save the economy. Sir, as Mr. Bhupesh Gupta has said, this will not control the economy; this will not save the economy. It will ruin the economy because it will generate more black money both in India and foreign countries. Secondly, Sir, as some of my friends have said, these Bearer Bonds will encourage political corruption because these bonds will give them respect and respectability. Increase of political corruption in any democratic country and any developing country is not good. All my friends there were saying that in every capitalist country black money is there. But if you are to give such a concession in a developing country, the danger of destabilisation there is more than in an established country. Therefore, if it gives rise to political corruption, there is the danger of destabilisation. The destabilisation process has already started. Now it will be expedited.

Now let us come to black money and how to control it. You cannot control black money in a capitalist system unless you have some basic electoral reforms. Sir, what happens is, the relationship between the black money and the political system and the political parties is such that any attempt to control the black money will meet with stiff opposition from the political party which wants to have unlimited powers and wants to perpetuate their authority. I will give you one example. During the last Emergency, there was some consultation among the top bureaucrats and the political leaders as to the measures to be taken so that it could electrify the whole situation, the whole country. Somebody said: "Let the hospitals be clean. There should be more facilities in the hospitals so that the common man who is suffering can get some relief." In this way, some such suggestion came up. Then one person

was asked: "What have you to say? Why are you keeping quiet? What is your idea?" Then he said, "If I say something, you will not accept it." They said, "Why not? We will accept." Then he said, "Enforce the Essential Supplies Act and prevent adulteration." "This is a very good thing. Everybody is affected. This will electrify the situation. We can accept it." "Sir, I have got something else to say. When I say 'stop adulteration' and we have to enforce the Act, we will have to net in some important businessmen and traders. Then you cannot ask me 'No, don't touch them.' Then the political leader who was there on behalf of the ruling party said, "Baba, we will have to intervene because they are the persons who give us money. If they are touched, what can we do?" Therefore, you kindly see where the link is. The link is between the political leadership and the hoarders, blackmarketeers. They said, "Whatever he is saying is absolutely impractical." The link is there. You cannot snap it. It has been tried, but it has been found to be impractical.

Then the other link is with the elections. When I talk of the police-reforms, I have in mind the fact that the political parties for their various activities are spending crores of rupees, both in elections and also for defecting Members, for maintaining certain Ministries, for defeating certain Ministries. For fighting elections, crores and crores of rupees are spent and the person and the party which has the money can keep themselves in power. This is what happens.

Then, Sir, we have demanded that every political party should submit its audited accounts by the auditor suggested by the representatives of the recognised political parties and the Chief Election Commissioner; from amongst themselves, they can choose one or two auditors for each and every recognised political party and let that report come and be discussed in both the Houses of Parliament. Secondly, we have said that many people now cannot fight the election because it

has become so costly. In a capitalist system like the one obtaining in Germany, they are having a democratic apparatus. There the election expenses are met by the Government. If we have that system, we will save in the election expenditure. We have talked to the persons concerned and they say: "Give us Rs. 20 crores only and we will be able to implement this scheme". We are campaigning for these two reforms. The Chief Election Commissioner, Mr. Shaktiher, has also reported to the Government and submitted this suggestion, but we are very sorry to say that the Government has still not considered it, has not even replied to it still; and I do not know whether the Government will act on this. Due to that, we complain and say that this should be done. These are the practical measures that should be taken at the political level.

The other measures are that the high denomination notes like the 100-rupee and 50-rupee notes should be demonetised. Some of the people in the higher-up, say that it is not physically possible. Perhaps, the Finance Minister will also give the same reply because this is a considered opinion, they say. I would say that this is the most considered opinion of the Finance Ministry whoever might have come to power. Demonetisation of high denomination notes is not a new phenomenon. It has been tried in many countries in Europe and other places. So, there is no difficulty.

Then, Sir, the black money is now mostly invested in land, building and other immoveable property which you will agree. In other countries they have overnight declared the value of any immoveable property to be half by government action. I do not know why our Government cannot think of this. These are not measures which have not been taken by a Government in any other country. So, if they are really serious, they should immediately demonetise 100-rupee and 50-rupee notes and also declare, without any compensation, that the buildings

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throughout the country would cost half.

Then, Sir the Finance Minister has threatened with raids. Since independence, have any monopoly houses which are having the largest amount of the black money, been touched? They have not been touched. None of them. They raid only some film actresses, some musicians, some play-back singers, and some small fries and some traders only to fulfil a formality. What is the result? Rs. 60,000 crores is the black money in circulation, and only Rs. 2 crores are got as a result of the raids. The Finance Minister says, "If this fails, I will raid". These empty threats should not be given. These threats will not threaten any of the monopoly houses or the big business people who have the black money. But you are only terrorising those persons who have money but who will not invest in your schemes. They have not enough incentives. They will not do it.

What I would submit is this. This black Bill on the black money is going to be a black Act. The Government will do justice to the present and the future generations by withdrawing this. I know they will not do it. But as a matter of my duty I am demanding it because of the very serious consequences both national and international, involved in this.

Lastly—I am repeating it, on earlier occasions also I have said about it—since independence no Government has been held in such contempt as this Government because this Government, you go to any important place, is known as the briefcase government. This has become a laughing stock. With this sort of image how are they going to succeed in mobilising Rs. 800 crores? If they cannot mobilise Rs. 800 crores, the deficit is going to increase up to Rs. 2,500 crores. And the result is inflation and rising prices. One of my friends, Mr. Ramanand Yadav, said that after this announcement, the

prices came down. He always gives some correct information. This time I do not know how he said it. After this budget, the prices have gone up. The prices increase . . .

MR. DEPUTY CHAIRMAN: Please conclude now.

SHRI G. C. BHATTACHARYA: . . . has been more than what was there in the last budget. Therefore, this scheme has no benefit at all.

MR. DEPUTY CHAIRMAN: Shri-mati Pratibha Singh.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA): Last speaker?

MR. DEPUTY CHAIRMAN: There are three more.

श्रीमती प्रतिभा सिंह (बिहार) :  
उपसभापति महोदय, मैं इस बिल का समर्थन करती हूँ और इसके समर्थन करने के मेरे अपने कुछ कारण हैं। मैंने यहां बैठकर जो माननीय सदस्यों ने कहा है, वह सारा सुना है और अखबारों में जो इसका क्लिप्स निकला है वह भी पढ़ा है। उन सबको पढ़ने के बाद मेरी और भी यह राय होती है कि मैं इस बिल का समर्थन करूँ। आंकड़े तो मैं इतने कुछ नहीं बता सकती हूँ, लेकिन पिछले वर्षों से इस सदन में भी और बाहर भी और अखबारों के द्वारा भी उपसभापति महोदय, इस बात की चर्चा होती रही है और गम्भीरता से इस परेशानी को भी जो भी सरकार आई, वह भी कहती रही कि पैरेलल इकनामी चल रही है। यह बीमारी है और यह बीमारी इस राष्ट्र को धुन की तरह लग गयी है जिससे निकलने का भी रास्ता सरकार के सामने दिखाई नहीं पड़ता है। हर दल और हर दल की सरकार जब कभी मौका मिला है तो उस वक़्त जब वह विरोधी दल में होती है तब तो इसकी

चर्चा करती है कि क्यों नहीं जो ये 75 धराने हैं, मोनोपोली हाऊसज हैं इनको आप पकड़ते हैं । जो कुछ भी काला धन है वह इनकी ही तिजोरियों में भरा हुआ है और इसमें सरकार की सन्निवेशरी है । सबसे पहले मैं इसी प्रश्न का फिर प्रश्न से ही जवाब देती हूं कि यह बात हर दल के लोगों ने कही, लेकिन उपसभापति महोदय मुझे बड़ा आश्चर्य होता है कि श्री रामनाथ गोयनका पर इंदिरा गांधी की सरकार ने रेड कराया एक करोड़ या कितने करोड़ की कर राशि उनके यहां जमा थी—वे देना नहीं चाहते थे तो इसलिए उन्होंने हमारे बहुत ही आदरणीय नेता—महान नेता मैं कहूंगा—श्री जयप्रकाश जो को पकड़ा और उसके बाद वह जो हमारे सम्माननीय सदस्य जिसको कहते हैं कि गलत काम था कर की चोरी थी, वह जो अपवित्र वार्ता थी वह जय प्रकाश जो के साथ मिल जाने से रामनाथ जो उस अपवित्र नाली से निकलकर गंगा के समान पवित्र हो गए ।

उपसभापति महोदय क्या सही है क्या गलत है इसका मापदण्ड क्या है । इसका निर्णय कौन करेगा कि क्या सही है और क्या गलत है ? बीमारी हमारे सामने है कि एक पैरेलल इकनामी चल रही है । अब उस बीमारी का इलाज क्या है ? इलाज के लिए दो ही रास्ते हैं उपसभापति महोदय, या तो मजा, पयूनिटिव मेजर्स, रेड्स, अरेस्ट्स, कोर्टों में उनके मुकदमें या दूसरा तरीका है कि किसी प्रकार उन्हें कोई भी इन्सैटिव देकर हम उनका धन, चाहे वह गलत तरीके से ही पैदा किया गया हो, लेकिन वह धन है, उसको देश के काम में लगायें । यही दो रास्ते हैं, तीसरा कोई रास्ता अभी तक किसी भी इकानोमिस्ट ने

या अखबारों ने भी जहां इसका क्रिटिसिज्म निकला है नहीं बताया है कि वह रास्ता क्या हो ? इसलिए उपसभापति महोदय, मैं कहती हूं कि जब हम समाजवाद की बात कहते हैं, जब हम गांधी जी को—किसी तकलीफ में पड़ने पर—याद करते हैं तो उसी गांधी जी की बात को क्यों नहीं उठायें उन्होंने कहा कि कोई चीज भी अच्छी नहीं है, कोई चीज गलत नहीं है, उसको मापने का भी तरीका है और वह मापदण्ड क्या है ? आप देखें कि जो भी चीज है, जो गरीब है आपके देश का उसके आसू पोछने के काम में लगा सकते हो कि नहीं, और अगर उसका उपयोग कर सकते हो, उसका एक रास्ता निकाल सकते हो, तो वे गलत रास्ते जाने वाले लोग अपने आप धीरे धीरे सही रास्ते पर आ जाएंगे ।

इसलिये मेरा यह कहना है कि अभी तक हमने यह जो काला धन—जैसे और भी माननीय सदस्यों ने कहा, पैदा कैसे हुआ इस देश में ? या तो कर की चोरी से, क्योंकि हमारे कर इतने ऊंचे थे कि उनसे बचने के लिए लोगों ने पैसा बचाया, या जो कोटा का सामान वितरित होते हैं, तो कुछ को सही दाम में और कुछ को गलत दाम से बेच कर, और जितना काले दाम में बिका वह काला धन बना—क्योंकि हमारे देश में, मान लीजिये सीमेंट की जरूरत ज्यादा है, पैदावार कम है, तो फिर जाहिर है कि बाजार में उसकी ज्यादा कीमत देगे । अगर हमें जरूरत है, मरम्मत करानी है, तो हम तो तीस रुपये का बैग साठ रुपये में खरीदेंगे । तो जिसके पास सीमेंट का कोटा है उसके पास तो तीस रुपये हर बैग पर ज्यादा पैसा हो गया । और करों की स्थिति ऐसी है जिससे वह सारा हिसाब बिगड़ गया । बात गलत है लेकिन पैरेलल इकानोमी चल रही है और जबचल

[श्रीमती प्रतिभा सिंह ]

रही है, तो जगह जगह करप्शन और हर किस्म के काम भी हो रहे हैं। इस विषय पर संसार के हर देश में सभी जगह विचार विमर्श हुए हैं, बड़ी गोष्ठियाँ हुई हैं कि क्या रास्ता है? क्या सिर्फ कर ही एक रास्ता है, या कोई और भी रास्ता है? क्योंकि पैरेलल इकानोमी जो भी डेवलपिंग कंट्रीज है, उनके आर्थिक इतिहास को यदि आप पढ़ें, तो देखेंगे कि शायद ही कोई ऐसा देश हो जहाँ डिवलपमेंट के समय में वहाँ पर पैरेलल इकानोमी न हुई हो। क्योंकि जरूरतें ऐसी होती हैं माल का उत्पादन आवश्यकता से कम होता है जिसकी वजह से ऐसे होता है।

तो ऐसी पैरेलल इकानोमी को किस प्रकार वह देश खत्म करते हैं, इसके विषय में अध्ययन करने की जरूरत है और मैं यह नहीं कहती कि आप रेड्स न करें, मैं यह नहीं कहती कि आप प्युनिटिव मंजूर न लें, आप जरूर लें, लेकिन सिर्फ वही मेजर आखिरी कदम नहीं है और भी तरीके अपनाने होंगे इसीलिये मैं तो अपने वित्त मंत्री जी को इस बार धन्यवाद दूंगी कि उन्होंने इस बार जो बजट प्रेजेंट किया, उन्होंने सिर्फ इस रास्ते पर प्रेजेंट नहीं किया कि हम हर बजट में जो सिर्फ टैक्स ओरिएंटेड बजट होता है—हमारे बजट में दो ही चीजों की प्रधानता होती थी। हमारा जो टैक्स ओरिएंटेड बजट होता था और हम टैक्सेज के ऊपर ही अपनी सारी प्लानिंग को आधारित करते थे। उन्होंने इस बार दो चीजों की ओर स्लाट किया है, कहीं तो विचारधारा में नया स्लाट किया, नई कल्पना और नई विचारधारा लाये हैं।

तो उन्होंने कहा है कि इस बार प्रोडक्शन ओरिएंटेड, इनवैस्टमेंट ओरिएंटेड और इनसैन्टिव ओरिएंटेड बजट पेश किया

है। यह तीन विशेषताएं लाये हैं और इन्हीं विशेषताओं की वजह से यह बेयरर बाण्डम भी आये। यह सही है कि पैरेलल इकानोमी चल रही है, लेकिन उस पैरेलल इकानोमी में से भी हम सिर्फ सजा के द्वारा नहीं—क्योंकि आप जानते हैं कि कड़े से कड़े डकैतों के भी कुछ उदाहरण दिये गये हैं। ठीक है, मैं भी वही उदाहरण लेती हूँ डकैतों को कि चम्बल घाटी में डकैत अगर बेयरर बाण्ड खरीदे तो क्या मझी होगा—लेकिन यही चम्बल घाटी के डकैतों के विषय में फिर से आदरणीय जयप्रकाश नारायण और जनता पार्टी का नाम लूँगी कि उन्होंने क्या किया था? उन्हें बुलाकर जयप्रकाश नारायण जी ने अपने हाथों से, कर कमलों से चन्दन का टीका उनको लगाया और वे पवित्र हो गये, वे भले हो गये। तो उनके पैसे से किसी गरीब चम्बल घाटी में वे डकैत क्यों हुए इस कारण को देख कर और मध्य प्रदेश के उन आदिवासियों के गरीब गांव में यदि हम बिजली पदा कर सकें, उन गरीब गांवों में रिक्स्ट्रक्शन कर सकें उन गरीबों के गांवों में, अगर हम हरिजनों के लिये मकान तैयार कर सकें तो सही है कि वह अपवित्र हैं। वह काला रुपया भी सही रुपया हो सकता है यदि एक दिन वह परिवर्तन लाने में सहायक बनकर डकैतों को भी सही आदमी बनाने की क्षमता रखता है।

अंत में एक चीज के बारे में और कहना चाहूंगी—गोल्ड आक्शन? जनता पार्टी के समय में गोल्ड आक्शन हुआ था। उस से देश को क्या फायदा हुआ? कुछ लोग श्रीमान से श्रीमंत बन गये, जिस पर पुरी कमेटी ने रिपोर्ट किया है। जनता पार्टी वालों को भी चाहिये तो उन को भी खुश होना इस बियरर बोर्ड स्कीम से क्योंकि उन के जो श्रीमंत बने हैं उन के पैसे का भी देश के लिये सदुपयोग हो सकता है।

**श्री शिव चन्द्र झा :** वह तो होर्डर के लिये हो रहा है।

**श्रीमती प्रतिभा सिंह :** वह होर्डर कौन है, यह पूरी रिपोर्ट में है—उन के नाम मुझे नहीं कहने हैं। उपसभापति महोदय, ये सारी बातें और भी कई लोगों ने कहीं, इलेक्शन की, दूसरी चीजों की, और जैसा मैंने पहले कहा, सही और गलत के प्रश्न पर मैं फिर पूछना चाहती हूँ, विदेशों से जो पैसे चुपचाप आते हैं, और हर पार्टी के लोग—कौन सी पार्टी यहां पर है जो कलेजे पर हाथ रख कर कहेगी—कि उनकी पार्टी के पास पैसा नहीं आता है। लोग नाम लेने से घबराते हैं परन्तु उपसभापति महोदय, मैं भी उस सेलेक्ट कमेटी में रही हूँ उस के सामने जो तथ्य आये हैं उन तथ्य के आधार पर कहती हूँ कि क्या वह कई वहां से बाहर से जो पैसा आता है, वह सही है ?

**श्री उपसभापति :** ठीक है, अब आप समाप्त करें।

**श्रीमती प्रतिभा सिंह :** उपसभापति महोदय, आज जो हमारी पुरानी दकियानूसी विचारधारा है सिर्फ उस पर न जाये, हम कुछ नयी कल्पना करें, हम एक नयी विचारधारा को लायें और देखें कि सही में इस पैरेलल इकानोमी को खत्म करके इस देश में सही आर्थिक नीति का सृजन कर सकते हैं और इस देश में जो भी धन पैदा होता है वह जिस रंग से हो, जिस प्रकार का हो, उसको हम देश को आगे बढ़ाने में, अपने विज्ञान को आगे बढ़ाने में, अपनी इंडस्ट्री को आगे बढ़ाने में, किस प्रकार से उपयोग कर सकते हैं। उपसभापति महोदय, इस समय की मांग यही है। इन शब्दों के साथ मैं इस विधेयक का समर्थन करती हूँ।

**MR. DEPUTY CHAIRMAN:** Mr. Chakraborty. please finish in five minutes

**SHRI AMARPROSAD CHAKRABORTY (West Bengal):** I will try.

Mr. Deputy Chairman, I rise with a serious protest to the introduction of this Bill. I condemn this Bill in the strongest terms possible. This is like asking a dacoit to replenish the house with the jewelleries and other articles taken or looted by him 'on the previous night and to legalise that illegal act. It is unheard of not only in the history of our country but also in other capitalist countries. Nobody will ask the dacoits who have looted and exploited the poorer sections of our country to give those looted articles with prizes in the form of prized bonds. It is unheard of. And what is the argument advanced by them? It is on two counts. One is for effective economic planning and two, for social planning. In support of that what do they say? They say: We shall be getting Rs. 1,000 crores. But it is an admitted fact based on the views of the press and different economists that the parallel economy run by the black-marketeers, racketeers and dacoits is to the tune of Rs.25,000 to Rs.30,000 crores. So, Sir, it is fantastic. It is fantastic that out of this amount of a thousand crores of rupees which they will be having through this scheme in two years they say that there will be effective economic and social planning. Then, Sir, the definition of black money has not been given anywhere in the Bill. But it is presumed or accepted, because of the various judgments and court pronouncements, that black money is the money earned in surreptitious ways and that black money is the money that comes from evading taxes and so on. Those who earn black money are called the black-marketeers. Sir, with all humility, I would only like to remind you of what Pandit Nehru said. He said that these blackmarketeers should be hanged from the nearest lamppost. I think our memory is very short. Otherwise, Sir, we would not have forgotten

[Shri Amarprosad Chakraborty]

what he said. We have forgotten what he said and we have forgotten how, in the strongest terms possible, he condemned the blackmarketeers and that he had said that they should be hanged from the nearest lamppost. Be that as it may, it has never happened. On the contrary, our experience is that these blackmarketeers and the black-money-holders have amassed wealth by lotting the national property, by exploiting the poorer people of this country. Sir, some industrial houses—I do not want to mention their names because it is common knowledge—started business with a few hundred crores of rupees and their assets today are worth more than a thousand crores of rupees. Some business houses started business with twenty crores or so and today, Sir, their assets are equivalent to a thousand crores or so. They have earned like this and there are only 22 or 25 families. It is not unknown to us and it is not unknown to the Government. But have they taken any effective steps by way of legal action? On the contrary, Sir, they are giving prizes to those people who were condemned by the Congress people earlier and about whom it was said that they should be hanged. But they are giving them prizes today! In 1990-91, if they take the Bearer Bonds today, they will get twelve thousand rupees. We are giving them this prize. Excuse me, Sir, if I use the strongest terms because of my emotion on this issue. Excuse me if I use the strongest term, Sir. Posterity will not pardon us for this sin and posterity will not tolerate us for passing such a legislation in this country whose great leader used to talk of change of heart among the people. But these ruffians, these looters, these dacoits, these goondas, have exploited the society and they have earned black money.

Sir, you know, there is the Prevention of Corruption Act and there is the Essential Commodities Act. There are enough provisions in these Acts

to punish these people. The Indian Penal Code is there and the Code of Criminal Procedure is there and they tell you how to proceed against these people and how to punish these people. But, Sir, what are we doing now? It is amazing—Excuse me, Sir for saying this—that you are giving them exemptions. (*Time bell rings*). All exemptions you are giving, exemption from the provisions of Chapter 9 and Chapter 17 . . .

MR. DEPUTY CHAIRMAN: Please do not go into all these details. They have been mentioned already.

SHRI AMARPROSAD CHAKRABORTY: Sir, I am only making it specific. You are giving them all these exemptions so that they are not punished and they evade the taxes and they can get away with all that.

Then, my second point is this: They say that inflation will be curbed. How? Sir, it is simple logic and that point demolishes their whole argument about curbing inflation. Sir, nowhere is it stated in the Bill that it is not transferable. Nowhere! So, it means that it is transferable. Suppose somebody takes the Special Bond of ten thousand rupees today and he transfers it in the name of somebody else and he deposits it in the bank. You can ask any chartered accountant about this. This Bond will be given to the bank and these dacoits and looters and the racketeers and the blackmarketeers will take loans from the banks against these Bonds and they will earn more black money in this way. So, what will happen? This will generate more black money and this will lead to more inflation. And, because of this inflation, what will happen? The poor people will become poorer and these blackmarketeers and the people who are exploiting this country, to whom you are giving the prize today, will become richer. So this is an irony. This is what the previous Government followed, what Panditji followed and what Bapuji condemned. Now this

The Bill seeks only to serve a limited purpose of converting a thousand crores into white money. The Finance Minister has not said that as a result of launching the scheme he would be able to mop up the entire black money in operation in the country. His limited objective is to mop up a thousand crores of rupees from this and convert them into white money. That being the limited objective of the Bill, Sir, we have to consider whether the main objects and reasons for which the Bill has been brought would be achieved. That is the basic and fundamental question. If that can be achieved, well, one would welcome the Bill. If that cannot be achieved, it would be very difficult to support a Bill of this kind which, on his own admission, is an immoral Bill. The Finance Minister never supports the Bill on grounds of morality. He has

7 P.M. he has adopted are worthy means. He never said that the means means. He says that there is a necessity of bringing back the money which is operating the parallel economy and which is posing a serious threat to the economy of this country. He wants to bring it back and to give it some form of economic discipline. You will kindly consider that the idea is to reduce the liquidity of money. I have grave doubts whether the liquidity would be reduced or this scheme itself will generate more and more black money. For example, 'A' purchases a Bearer Bond in 1981. All the immunities and exemptions are available to him. At the stage of maturity, i.e. in 1991, he gets 12,000 rupees. The value of the Bearer Bond increases because it is free from income-tax, gift tax, wealth tax and other taxes which we generally imposed. Supposing 'A' is in possession of a Bearer Bond. He sells this Bearer Bond during the 9th year to 'B'. Now, this Bearer Bond is a legal tender in the hands of 'A'. It is white money in the hands of 'B'. Now, 'A' receives money from 'B' by selling the Bearer Bond. In this way, 'B' is also able to convert some of his black money. Obviously the money which 'A' gets will not be entered into books

-J [Shri Narasingha Prasad Nanda]

of account. It will again go back to the category of black money. Kindly think of a situation. I am not criticising this Bill for the sake of criticism. The Finance Minister hopes to seduce a class of people by offering immunities and exemptions so that they may convert their black money into white money. As it is, there is no encouraging report and it is not known whether he will succeed in getting or achieving, the target of 1,000 crores. I doubt if he will be able to put this much of amount into the banking system. The second object which he seeks to achieve by this scheme is the control of prices. I have grave doubts because the Bearer Bonds are legal tender and the Bill itself has not restricted their circulation in the market. The Bearer Bond itself will carry additional value because of exemptions which I have already mentioned because it enjoys certain immunities. It will circulate in the market. Therefore, while it will not help in reducing the liquidity, it will also not help in controlling the prices and in canalising this money into productive channels. I have grave doubt whether this money can be canalised into productive channels. If I had the time, I would have told how there are many people who will operate even this scheme to their advantage by generating more and more black money. Therefore, I submit that this being the position, the ends do not justify the means. It is an immoral Bill on this own admission and this Bill will not achieve the objective on his own admission. In the Lok Sabha, he has expressed doubts about it and said that he has got some other alternatives if this scheme does not succeed. Therefore, he has apprehensions about this Bill. He says that it is better to have loved and lost than never to have loved at all, quoting Tennyson. But that means he has apprehensions in his mind. Sir, I very respectfully submit that his reliance on this amnesty given in other countries in

support of his contention, that since other countries have done it, we could also do it, is not correct. What are those countries? What kind of a system those countries follow? Sir, in those countries, the system itself encourages profiteering. The dominant motivation of all the economic activities in that system is profit-making. As Mr. Venkataraman prepared to say that is the intention here, the dominant intention here in our country which is a developing country and a country which wants to strike a new horizon in human civilization? Can he lay his hands on his chest and say that this system is meant only for profit-making and it has got no values and it does not intend to establish a higher form of society? Therefore, Sir, from any angle of the matter, it is not possible to support the Finance Minister's contention. (*Time bell rings*).

Sir, I will conclude with one more point. Sir, I have been listening to the Finance Minister all the time. He says, "Look to our election manifesto. This is the election manifesto. People have given us the mandate, and I am trying to implement all that we committed to the people of this country in our election manifesto." But, Sir, did he commit in his election manifesto that he will give this protection to the profiteers, to the hoarders, to the blackmarketeers, to those who have caused so much threat to the economy of the country? From where did he derive this authority? It is obvious, Sir, that we are sliding back to a system of economy where the dominant rule will be played by these people. We are sliding back to a system which operates in the western part of the globe. You think of the values we cherish, the kind of society we wanted to establish, a society free from exploitation, a society which removes poverty, a society which has no problem of unemployment. But, Mr. Venkataraman probably believes in a free society. He probably believes in a society where the domi-

nant motivation of the economic activity is just profit-making and, therefore, he wants to give all kinds of protection to the profiteers, black-marketeers and hoarders. In such a situation, Sir, it is extremely difficult to support the Bill brought before us by Mr. Venkataraman. Thank you, Sir.

SHRI GULAM MOHI-UD-DIN SHAWL: Mr. Deputy Chairman, Sir, of course, it is not worthy to see that, after all, we are given a chance to speak because I thought that otherwise it is the numerical strength which counts. (Interruptions) Sir, my first submission is that I am constrained not to support the Bill as it is, constrained in the sense that we have seen our friends in the ruling party too expressing their misgivings, apprehensions and even doubts about the purpose, the motive, the aim and the objective of this Bill. My first submission in this behalf is, what was the impending necessity to issue an Ordinance just one month before the Parliament was scheduled to meet? Of course, they can say, we know better. But, here, when we see that a blackmarketeer, or a tax evader or a profiteer or hoarder and all these rogues and vagabonds and criminals are to be compensated, given a shield, rewarded, I ask why such an Ordinance was issued when just after one month Parliament was to meet? Our first objection as Members of Parliament is that we should not condone in any way a fault, when Parliament itself is by passed. Of course, they can issue an Ordinance when it concerns the national security or some such other impending necessity arises and the Government feels that as Parliament is not in session, therefore there is need for the issuance of an Ordinance. But when the circumstances were such that these criminals were there and when we see—I am not suspecting the *bona fides* of the hon. Minister—that during this inter-session an Ordinance is issued whose purpose is not as yet clear even to

the ruling party, and they express doubts in the House, we feel that there is something fishy about it.

Mr. Deputy Chairman, Sir, this is the land of Mahatma Gandhi, whom we recollect and they conveniently forget. Of course, it was rightly said by Einstein that after some time—while paying tribute to Gandhiji on his martyrdom—people will be thinking whether there lived at all such a person in flesh and blood. It is 1981 and we have already forgotten Gandhiji not his name, because we name him daily, but as far as his spirit and soul are concerned. Had he been buried, he would have been turning in his grave when he would have seen such a black law being presented before this Parliament, whose objective was to give shield, to give respect to dry clean the black money of these blacker bonds. What is the purpose behind it? They say, the economy will get better, or that the parallel economy will be finished. We as lawyers see that there are so many laws, punitive laws on hoarding and profiteers, and, of course the Indian Penal Code is there. But we never see a dacoit being given pardon and requested, and there is supplication with folded hands, please return to us the looted property and we shall compensate you. But here we see such a thing is being done.

We stand for higher values. It is not the end which justifies the means. Of course, for these black-marketeers and others who are in that gang, it is the end which justifies the means because they stay in posh hotels or they have got enough and to spare. We read daily in newspapers that there are foreign exchange racketeers who earn crores and crores of rupees. There are smugglers but the law is there. When we say that we are unable to cope with the present situation when you say that we have failed to understand how to catch hold of these people, please understand that as far as the persons who know such laws or have such money are concerned, they can

[Shri Gulam Mohi-ud-din Shawl]

purchase the conscience of some. With due deference, they can. Of course, they can purchase. They know for certain that such and such a person is doing this bad business. Instead of trying to haul them up, they say that they are unable to haul up such persons. It is like the police saying that they are unable to find out the culprits even though there is a FIR lodged with the police station. We are in search of him. But we cannot find him. What is the business of the Police? What is the business of the Income-tax department and the other departments? They know for certain the persons who have black money. But they say they are unable to catch hold of them. The law's machinery is there. Sir, I would submit, in this behalf, that as far as this law is concerned, many expert committees have submitted reports with regard to voluntary disclosures. There are the recommendations of the Wanchoo Committee. According to the Wanchoo Committee, the bearer bonds scheme was a poor substitute for disclosure even as it could cover only black money which had not been invested and which is lying in cash. Why should we forget these things? When we know for certain that these reports are against such schemes, even then, we are presenting such a scheme before Parliament and before the country. We are happy to know it, when the hon. Finance Minister says that he is an economist. We are happy and it is praiseworthy no doubt. But I would like him to rub his shoulders among the masses and see the reaction. The poor person says that had he committed such offences, this time, he would have been rewarded. The whole country, this time, is thinking like this. When I see some friends on this side, in the ruling party, saying that along with this, some other things should be done, hundred rupee notes should be demonetised and so on, it is crystal clear that they too do not support it wholeheartedly and conscientiously. They

know the qualm of conscience is there and that they have to respond to it. After all, they too are living in this land of Mahatma Gandhi, where, we stand for higher values, for human values, for ethics and morality, and not for these crimes and we are not to shield them. I think, the Government itself ought to have decided that since the Ordinance is there, this Bill may be referred to a Select Committee. They themselves ought to have referred this Bill to a Select Committee, so that, we have some cooler atmosphere and better time to think over it and find out ways and means to cope with such a situation, instead of blackening our deeds or our faces by presenting such a scheme. Thank you.

MR. DEPUTY CHAIRMAN: Reply by the Mover of the Resolution, Shri Jha. आप इस पर बहुत कुछ कह चुके हैं। इसलिये अब संक्षेप में जवाब दे दीजिये।

श्री शिव चन्द्र झा : महोदय, मैं केवल क्लेयरीफिकेशन के ह्याल से कुछ बातें यहां पर रखना चाहता हूं।

पहले तो मैं उन सब सदस्यों को धन्यवाद देता हूं जिन्होंने मेरे प्रस्ताव का समर्थन किया है और आर्डिनेंस के खिलाफ कहा है और आर्डिनेंस जो प्रोजिन्नी और बाई प्रोडक्ट है उसका विरोध किया है। उन सब सदस्यों को मैं धन्यवाद देता हूं और उधर के साथियों से जिन्होंने बहुत जोर-शोर से इस बिल का समर्थन किया है उनको मैं क्या कहूं। उनके लिये मैं केवल एक ही बात कहना चाहता हूँ कि वे पंडित जवाहर लाल नेहरू को जाकर पढ़ें। इंदिरा चालिसा से काम नहीं चलेगा, पंडित नेहरू चालिसा पढ़ने से काम चलेगा।

अब मैं मंत्री महोदय से कुछ बातों की सफाई चाहता हूं। पहली बात तो

यह है जैसा कि मंत्री जी ने कहा और अन्य सदस्यों ने भी बात उठाई कि ब्लैक मनी जो काम कर रहा है यह उसकी लिक्विडिटी को कम करेगा, रिड्यूस करेगा, परन्तु इससे इस बात की सफाई नहीं हो रही है। इसमें बियरर बॉन्ड्स की कोई लिमिट नहीं है, कोई एक्सप्लानेशन नहीं है, कोई प्रोसीक्यूशन नहीं है, कोई पेनाल्टी नहीं है, यह फ्री फार्म इनकम टैक्स है, फ्री फार्म गिफ्ट टैक्स है और यह ट्रांसफरेबल है। इसका ट्रांसफरेबल करेक्टगिस्टक है। मान लीजिये 50 हजार रुपये का बांड आपने खरीदा है तो वह एक हाथ से दूसरे हाथ में जाएगा और फिर तीसरे हाथ में जाएगा वह सर्कुलेट करेगा या नहीं करेगा ? तो ब्लैक मनी जो पहले छिपे से सर्कुलेट करती थी वह अब बाकायदा लीगल रूप में सर्कुलेट करेगी : आपकी लिक्विडिटी कैसे खत्म हो रही है, इसको आप जरा साफ करें।

दूसरी बात यह है कि इस बांड के आधार पर तो एक रास्ता खुल गया है, फाटक खुल गया है। बैंक सिक्युरिटी देकर 50 प्रतिशत लोन दे सकता है। 50 प्रतिशत लोन मिल जाएगा। उसको बांड के जरिये से यदि लोन मिल जाएगा तो बैंक से लीगल मनी उसको मिल जाएगी और वह इसको इस्तेमाल करेगा तो वह सर्कुलेट करेगा। इस बात की भी आप सफाई करें कि बैंक से उसको 50 प्रतिशत लोन मिलेगा सिक्युरिटी के रूप में तो फिर लिक्विडिटी कैसे खत्म होगी ?

तीसरा क्लेरीफिकेशन मैं यह चाहता हूँ, बियरर बांड की शकल में आप फिर टैक्स इवेजेशन में प्रोत्साहन क्या नहीं देते हैं ? क्या इससे लोगों को इंसेंटिव नहीं मिलता है ? मैं यह कहता हूँ कि इससे इंसेंटिव मिलता है और टैक्स लोग इवेड करेंगे। यह कैसे करेंगे ? मान लीजिये,

आपके पास 6 लाख रुपये हवाईट मनी है। यदि इस हवाईट मनी में वैल्यू टैक्स हो तो 8000 रुपये पर एनम देना पड़ेगा। 10 साल में 80,000 रुपये देने पड़ेंगे। यदि 10 साल के बाद अपने चिल्ड्रन को ट्रांसफर करता है तो उसमें एक लाख रुपये गिफ्ट टैक्स देने पड़ेंगे। फिर कैपिटल गेस के रूप में उसपर 36,000 रुपये देने पड़ेंगे। तो इस प्रकार दो लाख 16 हजार रुपये इन वन आर दी अदर फार्म 6 लाख रुपये की हवाईट मनी पर उसको देने पड़ते हैं। यदि वह बांड खरीद लेता है तो एक लाख उसको और मिलेगा हालांकि उस पर रेट आफ इंट्रेस्ट दो परसेंट ही है। तो हवाईट मनी को ब्लैक मनी में कनवर्ट करने से वह नैट गेनर हो जाता है तीन लाख 16 हजार रुपये का। इससे हवाईट मनी जो है जिस पर वह टैक्स दे सकता है उसको चुराने की भावना बढ़ जाती है। यह टैक्स इवेजेशन की इम्पेक्ट्स आप देते हैं। इसको भी आप साफ करें कि यह होगा या नहीं होगा ?

चौथी बात जो मैं आपके सामने रखना चाहता हूँ वह यह है कि ब्लैक मनी कहां काम करता है, इकोनोमी के किस एरिया में रीयल स्टेज में ...

श्री सीताराम केसरी : समस्तीपुर और मिथिला में ...

श्री शिव चन्द्र झा : यह बुलियन ट्रेड में, प्रेशियस मेटल खरीदने में खर्च होता है। तो यह ब्लैक मनी इन सब में खर्च होती है, किसी न किसी रूप में खर्च होती है। तो यदि आपको पकड़ना ही है तो आप एक्सपेंडीचर टैक्स क्यों नहीं लगाते हैं ? कालदार ने बहुत पहले कहा था कि आप इसी से सब को पकड़ सकते हैं। कहीं तो खर्च करता है, आप एक्सपेंडीचर टैक्स लगा दें। कालदार की रिक्मेंडेशन लगाने में आपको क्या दिक्कत है ?

[श्री शिव चन्द्र झा]

पांचवा यह है कि मान लीजिये आप दो सौ करोड़ इस साल में उठाना चाहते हैं और 800 करोड़ अगले साल में। एक हजार करोड़ रुपये के बांड जैसे कि सी० आई० ए० की बात की गई है फारेन क्रंसी वाले खरीद लेते हैं तो इससे पहली बात तो यह होती है कि आपका ब्लैक मनी वसे का वैसा ही रहा। कागजों में थोड़ी देर के लिए आ जाएगा। तो बाहर की क्रंसी को वह इंडिया में ट्रांसफर करेगा। अभी कोई बाहर का क्रंसी लाएगा तो आपके रेगुलेशन से वह ला नहीं सकता है। वह तो इससे फायदे में है, लेकिन बांड को वह लाएगा कि नहीं लाएगा? ऐसी हालत में फिर मनी स्पलाई में इजाफा हो जाएगा।

श्री उपसभापति : कहां से लाएगा, कैसे लाएगा रुपया (व्यवधान)

श्री शिवचन्द्र झा : तो इसको भी आप साफ करें? अन्तिम बात मोरेल्टी के बारे में है। बहुत हैरानी की बात है। उन्होंने ठीक कहा कि यह गांधी का देश है। भारत का वित्त मंत्री अनएबेसड वे में, निल्वेज रूप में कहता है कि हमको मोरेल्टी का खयाल नहीं करना है इससे हमको मतलब नहीं है। इसी देश में चाणक्य भी हुए थे जिन्होंने साफ शब्दों में कहा कि अपनी सिद्धी को हासिल करने के लिए दुनिया का कोई कुकर्म खराब नहीं है लेकिन इस दृष्टिकोण के लिए पहले आपका एण्ड हाई होना चाहिए। इस पर बहुत विवाद हो चुका है। कोई भी इसका एण्ड हो, लेकिन आपका एण्ड

जो है, ब्लैक मारेकेटिंग को प्रोत्साहन देता है तो आपका जो गौरव है कि हम इसके फादर हैं इस बांड के, मैं कहता हूं कि फादर मदर सब कुछ हैं लेकिन हकीकत में यह बास्टर्ड बांड है। आपको यदि गौरव है उस पर कि फादर हैं और आप ललायित हैं तो इसीलिए आप बैठकर इन सब बातों का क्लेरीफिकेशन दें। फिर भी हकीकत में यह आर्डिनेंस टूगेदर विद इट्स प्रोजेनी, ये दोनों ब्लैक हैं, ब्लैक रूप में हैं, हम लोग सारी ताकत से इसकी मुखातिफत करते हैं और चाहेंगे कि देर आयद दुरुस्त आयद। अभी भी आप इसको विदड़ा कर लें, इन्ही शब्दों के साथ मैं इसका समर्थन करता हूं।

श्री उपसभापति : बहुत धन्यवाद आपका।  
Now the debate is over. The hon. Minister will reply to the debate tomorrow at 11 A.M.

श्री शिव चन्द्र झा : रिजोल्यूशन पर वोटिंग होगी।

श्री उपसभापति : कल 11 बजे मंत्री जी जवाब देंगे, उसके बाद रिजोल्यूशन पर और उनके प्रस्ताव पर, दोनों पर वोटिंग होगी, उसके बाद कल दूसरा बिजिनेस लिया जायेगा।

अब सदन की कार्यवाही कल 11 बजे तक के लिए स्थगित की जाती है।

The House then adjourned at twenty-six minutes past seven of the clock till eleven of the clock on Thursday, the 26th March, 1981.