

RAJYA SABHA

***SUPPLEMENT TO SYNOPSIS OF DEBATE**

(Proceedings other than Questions and Answers)

Monday, March 27, 2017/ Chaitra 06, 1939 (Saka)

GOVERNMENT BILL

The Finance Bill, 2017 - *Contd.*

SHRI SITARAM YECHURY: There are an unprecedented 189 Amendments that have been made in this Finance Bill. 'Miscellaneous' includes from 14 to 17 other matters that do not fall under the purview of the Finance Bill. Now, by smuggling in non-financial matters, non-tax matters into the Finance Bill, and by defining the Finance Bill, naturally, as a Money Bill, depriving the Rajya Sabha of its right to discuss these matters is actually undermining the entire constitutional scheme. This House and the entire Parliament to consider the definition of a Money Bill. Article 110(1) says what is a Money Bill and Article 110(2) says what is not a Money Bill. Article 110 (3) gives the right to the Speaker but that right cannot negate what has been said in Articles 110 (1) and 110(2). This House must return this Bill to the Lok Sabha with a very serious concern that non-tax matters should be deleted from the Finance Bill. The Supreme Court said that Aadhaar is not even mandatory for welfare measures. If Government want to make it compulsory then bring straightforward a Bill that Aadhaar is compulsory for every Indian citizen. Why do Government want to smuggle it into the

***This Synopsis is not an authoritative record of the proceedings of the Rajya Sabha.**

Finance Bill? This Aadhaar insistence is creation of a surveillance State in India. It is violative of my fundamental right to liberty and my privacy is being violated by this. Government are creating a totalitarian State. All of us know that Aadhaar is defective. There are lakhs and lakhs of complaints of people wherein the fingerprints are not registering or not working. Government want to use that. The biometric data that is contained in that, as the authority for delivery of all benefits. An Aadhaar number can just vanish and that means, you are not a citizen any more. Government want to bring it through subterfuge of the backdoor. This is absolutely unacceptable therefore, this cannot be allowed. It is violating the Supreme Court direction. Who controls all this data? They are the U.S. companies. The company will provide all the details. What are being collected are individual contacts of everybody. This sort of a totalitarian state, with a control by a master and reducing Indian society into a 'matrix' is something that is not acceptable, and especially when that is being smuggled through a Finance Bill. So, this is subterfuge on a Money Bill.

What is the financial proposal in the Tribunals? Government bring in all these proposals and changes. That is completely outside the purview of a Finance Bill. The Government wants to take all these rights through the rules. A Bill requires Parliamentary approval, rules do not. Government want to actually control the appointment, removal and re-appointment of members of a tribunal. Therefore, this also go back to the Lok Sabha with our recommendation that this should not form part of the Finance Bill. The people and political parties to refrain from political corruption. Electoral bonds, which is again a very fishy exercise because who buys the bonds and to whom he gives, nobody knows except the Government of the day through the bank. the Companies Act has been amended by removing the ceiling of 7.5 per cent of company's profits and now any company can give any amount, more than 100 per cent of its profits also.

What is the second thing that you have done? The companies are no longer obliged to tell the name of the political party to whom they are donating. What does this mean? Then you talk of electoral

bonds. Who will buy these bonds? Only the bank will know who bought the bonds. But nobody will know who redeemed the bonds except the Government. Instead of ending political corruption, you are actually elevating political corruption to obnoxiously high levels. Last year itself, you had amended the FCRA retrospectively from 2010 permitting foreign companies to donate to political parties. Today, you amend the Companies Act in order to create this ambiguity and anonymity. It is completely opposite of transparency.

I would appeal to the entire House to seriously reconsider and revisit Article 110 (3) of the Constitution. The time has come when you cannot allow this to be done in a manner which cannot be substantiated under law. This is something that cannot be accepted. Tinkering with Tribunals is something that is completely violative of our Constitution. The amendments to the Companies Act, should be annulled by us. All other non-tax proposals and changes made here in forms of various Bills must be scrapped from the Finance Bill.

SHRI SATISH CHANDRA MISRA: Article 110 is literally being made into an article which now has got no relevance so far as the Rajya Sabha is concerned. The way in which so many Acts have been amended in the Finance Bill, is not a good thing. These Acts must have been amended separately. The method adopted here is highly unconstitutional.

So far as the amendment regarding political funding is concerned, on one side you are making a provision that in case an individual is giving more than 2 thousand rupees then he will have to disclose its source etc. and on the other side you are exempting a company, who is giving 20 crore of rupees, from any disclosure. Our party is of the opinion that corporate-funding should be totally banned because the corporate which are giving such funding would also pressurize the Government to enact the legislations favourable to them. All the privatization which is being done today is just being done in the interest of these corporate. But this step of the Government has caused a great damage to the people from every category, who are expecting jobs in Public Sector Corporations.

The Government is moving ahead on its agenda of doing away with the reservation for SCs/STs and OBCs. Only few Corporate are being encouraged by the Government whereas the businesses and industries of smaller businessmen are on the verge of shutting down. The industrial production in the country has become negligible, which is resulting into increase in unemployment. It was promised that after coming into power, an announcement with regard to waiving off agriculture loans would be made in the very first cabinet-meeting. But it is yet to be done. This Government had promised for providing 2 lakh jobs every year. But in spite of fulfilling this promise, the Government has made thousand of in-job people jobless. The amendment made by the Government regarding Income Tax has extended arbitrary powers to the Income Tax Officials. Earlier there was a provision to record the reasons regarding search and seizure along with getting the approval of higher authority for the same. This provision has been brought very deliberately and intentionally.

The Court will strike down this provision as it is totally violative of Article 14 of the Constitution of India. The Government has merged all the tribunals. Today, every tribunal is overloaded in the country and further, Presiding Officers have also not been appointed in all these tribunals. According to the figures, India's direct tax-GDP ratio has fallen to a nine-year low of 5.47 per cent in 2015-16. The overall growth rate of direct tax has also shown a downward trend. The Government has borrowed a huge amount from Life Insurance Corporation for railway projects. Whereas, some money is also needed for holding free and fair elections in the country and you are not ready to give that money. Crores of people have opened Jan-dhan accounts on being asked by the Government to do so in the hope of receiving lakhs of rupees as promised by it. The people have deposited nearly 65 crores of rupees in these accounts. The Government has waived off the loans of the big industrialists by using this money and in this way, the NPAs of the banks have increased. Furthermore, banks are planning to levy maintenance charges on these Jan-dhan accounts. The poor people got nothing, rather, are in apprehension of losing their deposits. The plastic cards have been introduced for

minimising cash transaction, but there is a deduction in the plastic card transaction. The Government has done away with the provision of having SC/ST sub-plan. The Government is not bothered about the welfare of the minorities. The Government is misusing its absolute majority.

SHRI V. VIJAYASAI REDDY: Political donations from corporate companies are exempted from the Income Tax. But there are a number of political parties and so many unregistered corporate companies here in India. There are political parties also here who are ready to make false entries. Hence, by doing so, we would generate black money and deprive shareholders of their dividends. This issue has to be addressed in the Amendment. The Government has grabbed sweeping powers and merged Tribunals of different functions in the Finance Bill are the cause of concern. Any cash withdrawal from the banks and cash receipts in excess of limit must not be liable to be taxed.

SHRI D. RAJA: When we had discussion on electoral reforms, I did express my fear that our Constitution is at risk and today when I look at the Finance Bill, my fear comes true. This Government is for corporate ka saath and corporate ka vikas. That is what I can make out from all these proposals. About merger of tribunals, Government is resorting to unconstitutional method. This is not the way Parliament should be treated. Agriculture is in a deep crisis. Farmers are agitating and they are demanding for loan waiver. There are reports about farmers committing suicide. The Government is not prepared even to set up a Farmers Income Commission. The House wants to know what the Government is doing to increase the income of the farmers. The Government is willing to write-off book adjustments for Non-Performing Assets. As Parliament, we have concern for our farming community. The very concept of Scheduled Caste Sub-Plan and the Tribal Sub-Plan has gone. The mandate for the NITI Aayog is to privatize public sector undertakings. There is no point in arguing reservation for SC, ST and OBCs when all public sector undertakings are privatized. Then let us consider the question of extending the policy of reservation to private

sector. The Government promised to create 2 crore jobs per year but the promise is not fulfilled. The Government is doling out massive concessions to corporate houses. This Finance Bill needs to be addressed properly. Let us ensure that we carry forward the legacy of Dr. Ambedkar. The equality and fraternity are not taken care of. The means of production should remain in social sector. The Government must reconsider its position on this issue.

DR. T. SUBBARAMI REDDY: Such number of amendments has never happened in the history earlier. We demand that the Finance Bill should consist of only taxation proposals. The hasty move of the Government for compliance to the tax regime will add more disputes. Giving sweeping powers to tax officers may give rise to more disputes. The Government should ponder over lakhs of cases pending with the tribunals and with the Commissioners. Search and seizure is an attack on individual rights and should be thought over. We should increase our exports. Infusion of capital in banks will help in removing sickness of any industry as progress and prosperity of a nation depends on growth of industries and agriculture sector. Government should take judicious decisions to ensure that the Export-Import Policy is not affected. The percentage of state borrowing must be increased from 20 to 30 per cent. The Government should honour its commitment of awarding Special Category status to Andhra Pradesh. Funds under MPLAD should be raised for construction of roads, culverts, for providing drinking water.

Discussion not concluded.

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Secretary-General.

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ERRATA TO THE SYNOPSIS OF DEBATE DATED

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Page No.	Line No.	Correction
312	4	Add 'to' after 'Houses'.