

delay in laying the papers mentioned at (4) above. [Placed in Library See No. LT—596/91]

ience caused to the Sabha is regretted.

13.17 1/2 hrs

PARLIAMENTARY COMMITTEES

Summary of Work

SECRETARY-GENERAL: I beg to lay on the Table a copy of the Parliamentary Committees (Other than Financial Committees) Summary of Work (Hindi and English versions) pertaining to the period 22 December, 1989 to 13 March, 1991.

13.18 hrs

STATEMENT BY MINISTER

[English]

Correcting reply to Starred Question No 294 dated 5-8-1991 regarding Non-Government organisation for slums and reasons for delay in correcting the reply

THE MINISTER OF URBAN DEVELOPMENT (SHRIMATI SHEILA KAUL): Sir, in Annexure I referred to in replay to part (b) of the question, cited as subject, against Sl.No. 17 for the words-

" 17. Tamanna Rs. 1,14,676/- "

it may be read as under:-

" 17. Tamanna Rs. 14,676/- "

2. The Slum Wing of Delhi Development Authority has reported that the mistake was due to typographical error. The inconven-

13.19 hrs.

VOLUNTARY DEPOSITS (IMMUNITIES
AND EXEMPTIONS) BILL*

[English]

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): Sir, I beg to move for leave to introduce a Bill to provide for certain immunities to persons making voluntary deposits with the National Housing Bank and for certain exemptions from direct taxes in relation to such deposit and for matters connected therewith or incidental whereto.

MR SPEAKER : Motion moved:

"That leave be granted to introduce a Bill to provide for certain immunities to persons making voluntary deposits with the national Housing Bank and for certain exemptions from direct taxes in relation to such deposits and for matters connected therewith or incidental thereto."

Shri Fernandes

[Translation]

SHRI GEORGE FERNANDES (Muzaffarpur): Mr. Speaker, Sir such type of bills were introduced earlier also and then, it was I who had opposed those bills with the help of the constitution. I know that the every request of mine was accepted neither by you nor by the House. I said whether the bills introduced were in keeping with the law or not, it should be decide by the court, Who are we to decide it ? But. Mr. Speaker, Sir, if I donot oppose it, I cannot get a solution and I would rather take it as if I were neglecting my duties.

Mr. Speaker, Sir it appears from the issues we discussed this morning that violence has prevailing all through the country and an hon. Member has described the way as to how oil is being stolen. A number of such issues were raised here. The document containing the facts as to how the police had tried to rob of a family in Haryana, have been handed over to the members this morning.

The relation between the persons responsible for deteriorating law and order condition in the country and those who are responsible for enforcing the law have made it obvious that we are not willing to respect our constitution. We shall respect only that law which demoralises an honest person and encourages a dishonest person to live in this county with honour and dignity. This law is one of the such laws. Today we are going to enact such a law which will enable the persons, who make money by way of theft, dacoity or bribe to live with honour and dignity in this country. The extent to which hon. Minister of Finance has gone and used the term in the preamble of this bill on the very first page leaves nothing for us to say...

[English]

Whereas for effective economic and social planning

[Translation]

I know that you do not only have interest in these matters but you are perturbed about them.

MR. SPEAKER: I am not perturbed.

[English]

SHRI GEORGE FERNANDES: Whereas for effective economic and social planning, it is necessary to canalise for certain social objectives black money. It is necessary to canalise black money which has become a serious threat to national economy.

SHRI SOMNATH CHATTERJEE
(Bolpur): Now institutionalised.

[Translation]

This is the preamble of a bill in a free India. The same thing has been stated in the very first sentence of statement of objects and reasons under the signatures of the Minister of Finance.

[English]

With a view to canalising for certain social objectives, black money has become a serious threat to the national economy.

[Translation]

Now there are two things. The black money has increased to such an extent that it is virtually posing a threat to the nation's economy. This has been admitted by the Government while introducing this Bill. The second thing is that this law is against the spirit of the constitution and we are going to find ways and means to make such money legal. I would like to know whether the constitution, of which we took oath, here in the House together, of which we took oath before filling our nominations, of which hon. Minister of Finance and we all took oath, will now allow legalisations of all the illegal transactions and conversion of black money into white money and will also allow a person who has earned money by unfair means lead the life honourably. What will be its impact on an honest man?

I can give so many examples. We are political workers, we are attached to the political parties. We all do our duty from morning to evening, honestly. The employees of this House work morning to evening, sincerely. What an example we are presenting before the employees of this House? It means they are fools because they are not making money by unfair means. They would never get honour and respect in this country, they would always remain helpless. We give opportunity to dishonest persons to get their black money turned

[Sh. Somnath Chatterjee]

white and we also give respect and honour to them in the society. We can also recommend their names for awarding Padmashree, Padmabhushan by the Rashtrapati. I am very much distressed over it. I am not speaking merely for the sake of making speech. Actually, I am feeling very ashamed while speaking on it. You have interrupted me twice during the course of my speech stating that under the Constitution of India....(Interruptions)...

[Translation]

MR. SPEAKER: I was telling you legal position. I did not want to hurt your feelings.

SHRI GEORGE FERNANDES: I said this because you understand my views.

But I am very much disturbed and distressed because you as well as this House can contradict my views in this manner. But the question is whether are we leading our country to? We are encouraging dishonesty, theft, dacoity in the country. A metropolitan city like Bombay where there is 30 per cent wealth of the country is totally in the grip of goondas. Today, the politics of this metropolitan city, Mr Speaker, Sir, I would not like to use the term 'politics' but today they are playing politics and affecting the economy by sitting in Dubai. They try to enforce their orders at gun-point. Persons acquainted with Bombay and those representing Bombay can not deny it. We are inspiring them to plunder, at their gun-point. We are inspiring them to enter the people's houses forcibly and rob them of their assets, to make money as we have formulated rules to facilitate them. We are inspiring them to plunder the people to construct their homes. We will issue bonds for them. You invest your loot in these bonds, we will give you 60 per cent and rest of the 40 per cent will be utilised in building the houses for the poor. One day a city will be set up in their names because they got their maximum black money converted into white.

Mr. Speaker, Sir what will be the fate of this country? This house has enacted law in the past also. Today a lady Member of the House Shrimati Geeta Mukherjee was saying that when she visited Bahadurgarh where the incident took place, the local people asserted that even in the British period such incidents had not taken place. When I read this bill an idea struck to my mind, I was perturbed and it came to my mind that even during British period such law was never enacted which may harm country's interests. Whether are we taking this country to?

I won't like to just forward agreements, but I oppose it. If you do not have any idea for the upliftment and development of the country, you must not at least worsen the condition. The moral power of this country by making time such laws. This House should perform its duty. I oppose the introduction of this bill.

[English]

SHRI SOMNATH CHATTERJEE (Bolpur): If you kindly see the Bill, Sir, it says that :

"Notwithstanding anything contained in any other law for the time being in force,

- a) no person, who has made a deposit with the National Housing Bank in accordance with the scheme, shall be required to disclose, for any purpose whatsoever, the nature and source of the deposit; and
- b) no enquiry or investigation shall be commenced against any person under any such law on the ground that he has made the deposit."

Clearly, a class of people has been created and there is no doubt about it, to whom the ordinary laws of the country will not apply. So far as this section is concerned, there is no distinguishing feature

except that a deposit in the National Housing Bank is being made. But, so far, there are so many Governmental schemes — financial schemes, saving schemes — in which the money is deposited and there is no such exemption. There is no complete exoneration as this Bill purports to provide for. Apart from the fact, I did not notice it and I must confess my failure, that it is a shame that a legislation which is being introduced in the highest Legislative body of the independent India, contains the words 'black money' and that it is openly declaring, to be a law for whitening black money. All those who have black money are admittedly violating some laws of this country. Therefore, those who have violated the laws of this country, are being given special protection. I know that previously also there was the bearer bonds, which we had objected to in principle. Many assurances were given.

Our present Rashtrapati, in my memory serves me right, was the then Finance Minister. He was piloting that Bill. I am not bringing him in person. The then Finance Minister, who occupies the highest position in this country, also felt that this will induce those people who had violated the law to correct themselves, to rectify themselves and bring out their ill-gotten money for the benefit of the country. But that did not fructify. That scheme failed. Even the Indira Vikas Patra where no name is to be given is also another black money whitening process. That also has not succeeded to the extent they had hoped.

Therefore, should we go on creating a new type of persons and give them special privileges which ordinary people of this country are not entitled to get? This definitely creates a new class of people. I submit there is no intelligible differential. Shri Kumaramangalam says that there is an intelligible differential namely a distinction between somebody who has honestly earned money and somebody who has dishonestly earned money. I would like to know whether the Government of India thinks that

there is an intelligible differential which should be emphasized by the Government on one after another occasion for the purpose of giving blanket immunity. Let them say they have failed; they have no policy; they cannot bring that out; even they cannot bring money which is being stored in foreign countries as export earnings; that they cannot get it here; they cannot find out monies which are stashed in different places both within and outside the country. Therefore on that basis, the failure of a Government—both administrative and political—cannot justify creation of a new class of persons above the law.

Therefore I support Mr. Fernandes that this would inherently be violative of Article 14 of the Constitution of India. I know you cannot declare it *ultra vires* or you cannot say that this cannot be introduced on that count. But I would request the Government to seriously ponder whether they should continue to pollute this place, the temple of democracy in this country for indefinite period.

MR. SPEAKER: The question is:

"That Leave be granted to introduce a Bill to provide for certain immunities to persons making voluntary deposits with National Housing Bank and for certain exemptions from direct taxes in relation to such deposits and for matters connected therewith or incidental thereto".

The motion was adopted.

MR. SPEAKER: The Minister may now introduce the Bill.

SHRI MONMOHAN SINGH: Sir, I introduce the Bill.