

Be not ashamed of thy virtues; honor's a good brooch to wear in a man's hat at all times
Ben Jonson

Congress in coma

More than a fortnight has passed since the result of five State assembly elections was out. Except in Punjab, the Congress performance was poor. It was very poor in Uttar Pradesh and Uttarakhand. In Manipur and Goa, it emerged as the single largest party but failed to form its government. In Punjab also, the Congress victory was more due to the utterly dismal record of the Akali-BJP government rather than to a sudden revival of faith of the people in the Congress. The Congress has been steadily declining ever since the 2014 Lok Sabha elections. Its latest mascot, Rahul Gandhi, has failed to enthuse his own party workers, not to speak of the people in general. Sonia Gandhi's failing health has made the question of 'who will lead the Congress in the coming days' urgent.

But strangely the Congress seems to have gone into a political hibernation, if not a coma. No decline in popularity, no defeat in the polls, no political discomfiture can shake it out of its present state of torpor and lassitude. No indication that it is aware of the gravity of the situation developing in the country, the mounting threat to our democratic and secular polity. There is no effort at introspection as to what has gone wrong and where and how to stop this downhill journey; whether it is time now to pass on the baton from the family-centric High Command to a collective leadership of younger people who have their ears to the ground. The way in which the divisive forces are gaining ground and vigorously pursuing their majoritarian political agenda, the opposition will be hardly able to face the ruling dispensation when the next general elections come in two years' time. The opposition is divided, ideologically, politically and programmatically. They feel the need for unity only when they have to enter the election battle against a strong adversary. Such a negative 'unity' does not inspire confidence in the masses, when they see a strong, charismatic leader with Messiah-like attributes promising to bring them 'better days'.

Today the opposition does not have a strong leader with a charismatic personality like Jawaharlal Nehru or Indira Gandhi who commands the trust and confidence of the people. This lacuna can be filled up to a great extent by an ideologically committed and cohesive collective leadership. The Congress can still play the role of a catalytic agent in bringing about the unity of the secular and democratic opposition parties that can effectively fight the forces of majoritarian politics. But to do that it has first to put its own house in order.

Overstepping limits of Finance Bill

REFLEX ACTION

G. Srinivasan

The 2017 Finance Bill as passed by the Lower House on March 29 which was subsequently discussed and debated in the Rajya Sabha on March 29 with the Union Finance Minister responding to the concerns of members in both the houses is a unique but unsettling piece of legislation. After its introduction on the budget day on February 1 till its passage in the Lok Sabha, members from the disparate Opposition parties were rightly agitated over the government's move and successful passage of as many as 40 amendments as part and parcel of the Finance Bill. That the upper house is upset over non-tax provisions masquerading as tax provisions to pass the need for their due passage in the Rajya Sabha, is by itself. What struck dispassionate observers really is the battle cry from the Opposition benches on the need to revisit the legality of the Lok Sabha Speaker's right to resolve whether a Bill is a Money Bill or not.

There is a plausible ground for raising such a plea from the house of elders because the Finance Bill has attempted to alter Industrial Disputes Act, 1947, Airport Authority of India Act, 1994, Income Tax Act 1961, Telecom Regulatory Authority of India Act, 1997, Customs Act 1962, Trade Marks Act 1999, Smugglers & Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976, Companies Act, 2013, Administrative Tribunals Act, 1985, Cinematograph Act, 1952, Railway Claims Tribunal Act, 1987, Consumer Protection Act, 1986, Securities and Exchange Board of India Act, 1992, Electricity Act, 2003, Recovery of Debts due to Banks and Financial Institutions Act, 1993, Armed Forces Act, 2007 and the National Green Tribunals Act, 2010.

It is perspicuous from the aforementioned lists of variegated subjects that all of them do not qualify for being amended under the garb of money bill as the changes sought to be introduced and passed need to be brought in the form of a bill and discussed threadbare in the upper house so that requisite safeguards against potential or putative misuse and abuse are inbuilt to insulate the denizens of the nation from being subject to undue harassment or unjust

enrichment by the law-enforcing authorities! It is rather unfortunate that with a sledgehammer the government has succeeded in amending forty laws through the money bill tack, by passing any dispassionate discussion about the need and urgency of the proposed reform measures so that the people by and large could be a tad wiser from the crystalline discussions of their elected members in the lower house or the selected members from the upper house. In a multi-party democracy the bicameral legislatures as evolved by Constitutional experts ought not to have been flouted in a fashion that might build resentment and avoidable resistance in the members of the upper house.

A polemical provision that has set alarm bells ringing even among genuine big-ticket taxpayers is the passage of an amendment concerning search and seizures in the Income Tax Act. It has been proposed to insert an Explanation after the fourth proviso to the sub-section (4) of s 132 so as to provide that the reason to believe recorded by the income tax authority specified therein under the said sub-section shall not be disclosed to any person or any authority or the Appellate Tribunal. The amendment would take effect retrospectively from April 1, 1962, the date of the commencement of the Income Tax Act, 1961. Again, it is also proposed to insert an explanation in the subsection (1A) of s 132 so as to declare that reason to suspect recorded by the income tax authority shall also not be disclosed to any person or any authority or the Appellate Tribunal.

In reply to the Finance Bill in the Lok Sabha, the feisty Finance Minister Arun Jaitley referred to this as "a small amendment has been made to the effect that a court can see such a document (reason for

search and seizure by the tax sleuths) but this document will not be given to any other person. He further justified the change that under the extant procedure, the copy of the order detailing the reasons had to be given to the individual against whom search is to be carried out but because of this the source of information were drying up. Tax lawyers and auditors recall that while confidentiality and sensitivity remain the hallmarks of proceedings under Section 132 and section 132A, certain judicial pronouncements have fostered ambiguity in respect of the disclosure of reason to believe or reason to suspect recorded by the income tax authority to conduct a search under section 132 to make requisition under section 132A.

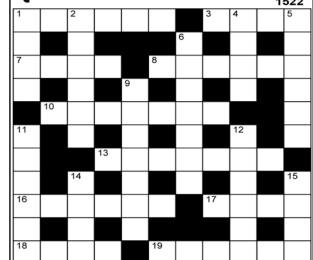
They cited a ruling by the Supreme Court in DGT (Inv) vs. Spacewood Furnishing (P) Ltd (2015) 57 taxman.com 292 (SC) clarified that section 132 would not confer in assessee a right of inspection of document or to a communication of reasons for belief at stage of issuing of authorization. However, at stage of commencement of assessment proceedings after completion of search and seizures, if any, that requisite material may have to be disclosed to assessee. But the latest amendment has annulled the effect of the apex court judgment since no person, authority or even Appellate Tribunal shall be entitled to advert to the reasons to believe or reasons to suspect as the case may be during the course of assessment or appellate proceedings.

While no one faults the zealousness with which the authorities hound out tax evaders, they should also ensure that the new-fangled freedom vested with the income tax authorities is not abused or misused to settle scores or indulge in personal vendettas. As it is, Indian businessmen have of late become tax exiles and fugitives from stragulating fiscal fangs. Every spacious move the government makes should ensure that smart and intelligent taxpayers can keep themselves to onshore, instead of seeking offshore sanctuaries such as Panama and low-tax havens such as Guernsey and Monaco. (IPA)



Models present creations by Tibetan designer AJ Namu during a fashion show at China Fashion Week in Beijing. REUTERS

QUICK CROSSWORD



- Across**
1. Acoli lake (6)
3. Equipment (4)
7. Small bird (4)
8. Cold and unfriendly (6)
10. Staying power (7)
13. Red vase (anag) (7)
16. Be important (6)
17. Hold firmly (4)
18. Lids (4)
19. Musician (6)
- Down**
1. Bawdy (4)
2. Slum (6)
4. Compass point (4)
5. Beat (6)
6. Bauble (7)
9. Tiny amount (7)
11. Licence (6)
12. Off track (6)
14. Halt (4)
15. Incentive (4)

Previous solution
Across: 1. Lookalike, 6. Slope, 7. Noise, 9. Item, 10. Reeled, 12. Mishap, 14. Alto, 17. Court, 18. Input, 19. Unfringed.
Down: 2. Ozore, 3. Keel, 4. Linked, 5. Kri, 6. Seismic, 8. Endmost, 11. Tattoo, 13. Spurn, 15. Lapse, 16. Sign.

SUDOKU: 1809

		3	1	7	9			
5				6	7			
7								1
4	9							
6		8		3				2
7				1				9
	9	6						8
	6	5		9	3			

Yesterday's Solution 1808

8	3	9	6	5	1	7	4	2
6	2	7	4	3	8	5	9	1
1	5	4	7	2	9	6	8	3
9	8	6	2	4	3	1	5	7
2	7	3	1	8	5	9	6	4
5	4	1	9	7	6	2	3	8
4	1	8	5	9	2	3	7	6
3	6	5	8	1	7	4	2	9
7	9	2	3	6	4	8	1	5

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Dhaka wants treaty, New Delhi partnership

FOCUS

Mrinal K Biswas

The Teesta river water sharing will surely dominate the talks between the Bangladesh and Indian Prime Ministers at their April Delhi meet but a final decision concluding in a treaty will remain only a remote possibility. The Indian approach to this venture will be to buy time till West Bengal Chief Minister Mamata Banerjee is ready for such a pact. Bangladesh is impatient as a final Teesta pact strike is hanging fire far too long.

At the two-nation summit Prime Minister Narendra Modi will no doubt assure his Bangladesh counterpart Sk Hasina Wazed for a positive outcome in the bilateral talks fully knowing that the Teesta is a highly emotive issue for Bangladesh which badly needs Teesta water originating in Sikkim and flowing down through West Bengal to the riverine neighbouring country. In the interregnum, Modi is ready with a slew of proposals for the benefits of Bangladesh to assuage the feelings of Sk Hasina and her Awami League government who have already met some of India's vital needs by curbing anti-India terrorists' bases and by extending transit facilities for their big neighbour. Prime Minister Modi is robustly hopeful that because of very geopolitical nature both countries can take mutually advantageous positions to keep at bay a number of elements and forces knocking at the doors. Signing of a

defence pact is high on the list. Bangladesh needs foreign investments, positive balance of trade, wider transit facilities, military training personnel, defence equipment, help on maritime surveillance and even helps on space and civilian nuclear energy technology. India's main concern is creation of a sound eastern hemisphere security belt in association with Bangladesh.

The Delhi meet will essentially concentrate on give and take by both the sides. Apart from signing a Memorandum of Understanding (MoU) by both the countries India is to offer \$500 million line of credit for Bangladesh to purchase defence equipment at a time China is trying to push hard their military hardware in that country. Not long in the past in March 2016 India by signing an agreement had extended \$2 billion credit line to Bangladesh. India is quite watchful of China's footprints in Bangladesh which has signed 27 agreements worth of billions of dollars in forms of strategic partnership last October. Huge Chinese funding of \$24 billion is so far the biggest foreign line of credit for Bangladesh. Japan has also increased investments in the eastern land of Indian subcontinent. India is watchful. While India is best positioned to help Bangladesh to break new grounds for all-round developments, Chinese

inroads notwithstanding the neighbour's sensitivities of Delhi's approach on international and bilateral issues may not strike a similar chord with Sk Hasina and her countrymen. Especially when Bangladesh is greatly impregnated with divisive forces. Begum Khalida Zia's Bangladesh Nationalist Party as the main opposition bloc enjoys the solid support of Jamaat-E-Islami with latter's clear anti-Indian inclination and pronounced pan-Islamic views. It is no secret that inspiration comes from Pakistan. The continued China-Pakistan bonhomie has definitely raised eyebrows in India. For Sk Hasina it is a highly balancing act being cautiously played by her Awami League government whose pro-India stance is historically established since 1971 Bangladesh liberation war. Her policy of continued engagement with India will come under a severe test in the ensuing summit meet. Delhi is aware that Sk Hasina has to settle scores with those of her countrymen who had joined the Pakistan army in the mayhem killing millions of Bangladesh population and who later in a violent

conspiracy assassinated Bangladesh creator Sk Mujibur Rahman, her father, and his cream layer of leadership throwing up a view of this nascent State how dangerously divided is India's eastern neighbour. After a long period of tortuous struggle Bangladesh has achieved some form of stability though fear persists that peace and stability will remain fragile unless Sk Hasina can show results for her countrymen. Achieving a Teesta river water sharing pact will indubitably enable Sk Hasina to further consolidate her power vis-a-vis BNP. Jamaat combine and give her a freer hand to silence critics whose even unsolicited support from Pakistan is a matter of concern. India was transfixed at this point because of her own internal political compulsions, chiefly because of resistance from West Bengal's maverick Chief Minister Mamata Banerjee who fears water resources will be scarcer for the State if adequate safety measures are not included in any Teesta pact. After Land Boundary Agreement (LBA) signed last year the Teesta is the sole point of friction both countries want to remove but could not find a

way out so far. Bangladesh appears so inclined for a treaty as to even ready to play the China card to influence Indian position. China's involvement on Teesta issue was hinted to the discomfiture of Delhi.

Sk Hasina complains her detractors at home conspired even with India government to dislodge Awami League from power in the election of 2001. Recently, before the League's women's wing at Dhaka she made the explosive observation that India's Research & Analysis Wing (RAW) saw to it that Awami League government was ousted because her regime then refused to supply natural gas to India, finding Khalida Zia's BNP, in contrast, ready to oblige India. Indian government also looked suspiciously at her government's ministers frequent Kolkata visits for an extraordinary relationship with the Left Front Government. India's BJP government allegedly helped Bangladesh BNP combine in the election to prevent two Bengals coming closer to the discomfiture of the BJP-led National Democratic Alliance government. Bangladesh Awami League enamoured of Indira Gandhi and of the grand old party Congress is not known to be warmly disposed towards the present regime of India. These little known facts may influence the crucial level of bilateral talks between two nations.