

# Opinion

SUNDAY, JULY 28, 2019

IT TAKES A lot of courage to speak in a House of Parliament where the Opposition benches are empty. That is precisely what the Finance Minister, Ms Nirmala Sitharaman, did on July 23, 2019, in the Rajya Sabha! She piloted her maiden Finance Bill, the Rajya Sabha (minus the Opposition) ‘considered and returned’ the Bill, and all is well with the Indian economy. Congratulations, Finance Minister!

Like there were serious questions about the Budget, there are serious questions about the Finance Bill.

## Brazen Violation

*Firstly*, the Bill is constitutionally suspect. The government is brazen in its defiance of the law. In *Justice Puttaswamy*, the Supreme Court ruled that a money Bill must comply strictly with the conditions stipulated in Article 110 of the Constitution. Such a Bill shall contain *only* provisions dealing with taxes and the payments into or out of the Consolidated Fund of India (CFI) or the public account of India. Yet, the government has included in Finance (No.2) Bill, 2019, clauses that are impermissible under Article 110 of the Constitution. Chapter VI of the Bill, that is titled ‘Miscellaneous’, contains clauses that amend several Acts including the Reserve Bank of India Act, the Insurance Act, the Securities Contracts (Regulation) Act, and so on. I counted at least 10 laws that were amended. Neither the Acts concerned nor the amendments had anything to do with the purposes mentioned in Article 110.

Someone will definitely challenge the Constitutional validity of Finance (No.2) Bill, 2019. I am amazed that the government is willing to risk its most important Bill on finance and economy just to avoid a debate on questionable amendments to some non-financial laws!

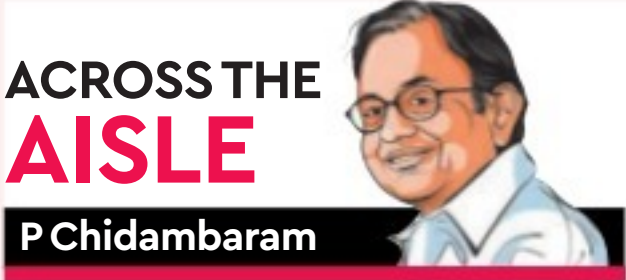
## From Trot to Gallop!

*Secondly*, no one has found fault with the numbers used in my essay *‘Toward \$5, 10, 20 Trillion Economy’* (FE on Sunday, July 21, 2019). The government has set ambitious — nay aggressive — revenue targets. The actual growth rates achieved in 2018-19 and the projected growth rates for the new year (Estimates for 2019-20 over the Actuals of 2018-19) are:

GROWTH RATES IN %			
	2018-19	2019-20	
Income Tax	7.16	23.25	
Customs	-8.60	32.20	
Union Excise	0.06	15.55	
GST	3.38	44.98	

How does the government propose to achieve these high revenue targets? Especially when the IMF, ADB and RBI have reduced their estimate of India’s GDP growth rate to 7% and that of the world’s growth rate to 3.2%. Every economist who has knowledge of the Indian economy (the latest is Dr Kaushik Basu) has warned of a further slowing down — that is a continuation of the trend witnessed in the four quarters of 2018-19 (8, 7, 6.6 and 5.8%). How does the government expect that revenue collections will gallop to high double-digit rates after the single-digit trot of 2018-19?

I suspect that the government will squeeze the present taxpayers. The government has already conferred extraor-



ACROSS THE AISLE  
P Chidambaram

# Unconstitutional and unrealistic



Finance minister Nirmala Sitharaman

dinary powers upon income tax, GST and other tax officers. There will be more notices, more summons for personal appearance, more arrests, more prosecutions, more penalty orders, more harsh assessment orders, more summary dismissals of appeals — in short, there will be more harassment of the taxpayer.

## Denying States’ Share

*Thirdly*, are the states getting their share of the taxes? The Fourteenth Finance Commission (FFC) awarded 42% of gross tax revenue (GTR) of the Central government to the states. The FFC report was accepted. The share of 42% became a constitutional right of the states and a constitutional obligation of the Central government. The FFC Award is applicable

during the period 2015-16 to 2019-20. Despite the award, what was actually devolved upon the states was much less, as can be seen from the table below:

Year	Amount devolved as a percentage of GTR
2015-16	34.77
2016-17	35.43
2017-18	35.07
2018-19 (Actuals)	33.05
2019-20 (BE)	32.87

The reason for not achieving the target of 42% is the liberal levy of cesses and surcharges on taxes. The FFC award does not apply to cesses and surcharges and

they do not have to be shared with the states. That is one whammy.

The double whammy is when the Central government’s tax collections fall short of its budget or revised estimates. In 2018-19, on GTR, the budget estimates were ₹22,71,242 crore and the revised estimates were ₹22,48,175 crore, but the actual collections were only ₹20,80,203 crore. When the pie is smaller, states will also get a smaller than expected share.

Please view the FM’s reply or look up the transcript. Did she address any of the issues that I have raised in this essay — or would have raised if there had been a proper debate in the Rajya Sabha?



Website: [@Pchidambaram\\_IN](http://pchidambaram.in)



INSIDE TRACK  
COOMI KAPOOR

## ‘Congress’ heads BJP

An embarrassing secret from his past for the BJP’s new Uttar Pradesh chief, Swatantra Dev Singh, is that his parents had actually named him Congress Singh. The first name ‘Congress’ was hastily changed once Singh joined the BJP. If it is a bit confusing that the former ‘Congress Singh’ now heads the BJP in UP, it is also true that descendants of most of the old Congress families in the state are now in the BJP. Late prime minister Lal Bahadur Shastri’s grandson, Sidharth Nath Singh, is a minister in the Yogi Adityanath Cabinet. Former UP chief minister Hemwati Nandan Bahuguna’s daughter, Rita Bahuguna Joshi, is a BJP MP. The grandson of two Congress stalwarts, Rajendra Kumari Bajpai and Shyama Charan Shukla, Harsh Vardhan Bajpai, is the BJP MLA from Prayagraj; and former UP CM Vir Bahadur Singh’s son, Fateh Bahadur Singh, is a BJP MLA and a favourite of Adityanath.

## A Haryana tradition

The Congress high command has put everything on hold including Bhupinder Singh Hooda’s pressing demand that Ashok Tanwar be removed as Haryana PCC chief. The party keeps Hooda dangling at its peril. Hooda and his son Deepender still command considerable loyalty in their constituencies of Sonapat and Rohtak. Deepender, in fact, won in the count from the EVM machines by 1,900 votes in Rohtak and lost the seat narrowly only because of the postal ballots, which were largely from those in the services. As CM, Hooda’s word was law in Haryana affairs because of his proximity to Robert Vadra. But the Gandhis have turned cool, believing he got their son-in-law into trouble with land deals. But if Hooda is not mollified, he could walk out and form his own regional party. This is an old Haryana tradition followed by former chief ministers Bansilal, Bhajan Lal, Rao Birendra Singh and Devi Lal, among others.

## Rajiv memorial row

Shortly after Rajiv Gandhi’s tragic death, the Gandhi family had a huge row with then prime minister Chandra Shekhar over the location of his memorial. Chandra Shekhar suggested that the proposed memorial be within Shakti Sthal, Indira Gandhi’s samadhi. However, Sonia wanted Rajiv’s commemoration site to be separate from his mother’s since Rajiv was a leader in his own right and should not be remembered merely as Indira’s son. But Chandra Shekhar was adamant that he would not permit a plot to be cut out from Lal

Bahadur Shastri’s samadhi and pointed out that he had earlier turned down Ajit Singh’s request for space for Charan Singh’s memorial at the rather neglected Shastri samadhi site. The incident is mentioned in the just released biography of Chandra Shekhar, co-authored by his reverential disciple, Harivansh, now Deputy Chairman of the Rajya Sabha.

## Speaking his mind

During the discussions before the trust vote in the Karnataka Assembly, someone mentioned that former CM H D Kumaraswamy was seen eating biryani at a particular spot. Kumaraswamy countered that this was impossible since he had turned vegetarian a few years ago, to which Speaker KR Ramesh Kumar responded that in his case it worked the opposite way — that he started out as a vegetarian and ended up eating non-vegetarian food. The Speaker, who took his own time about holding the confidence vote and is still to decide on action against all the rebel MLAs, is not a man to be cowed down and has a history of being independent-minded. He started his political career as a Congress corporator and MP. But he left Indira Gandhi and joined Devaraj Urs in 1979. Later, he aligned with S Bangarappa, before shifting loyalties to Ramakrishna Hegde of the Janata Party. In 1985, he was chosen as the Assembly Speaker by the Janata Party. In 1998, Ramesh returned to the Congress, mentored by S M Krishna. When the Congress and JD(S) came together to form a government in 2018, Ramesh was the obvious choice as Speaker, particularly as none from the JD(S) qualified for the post.

## No name-calling

After his defeat in Patna by Law Minister Ravi Shankar Prasad, Shatrughan Sinha did not show his face in Delhi till earlier this month, when fellow BJP rebel Yashwant Sinha’s book was released. In fact, after the parliamentary poll results, Sinha did not wish his rival in person but simply tweeted his congratulations, describing Modi as a friend, Prasad as a family friend and Amit Shah as a master strategist. Incidentally, though rivals, neither Sinha nor Prasad mentioned each other’s names during the Patna campaign. For Prasad, it was his first Lok Sabha contest and he and his wife Maya were on the move from 6 am. A two-time Lok Sabha MP, Sinha only left Maurya Hotel, where he was camping, for the campaign trail past noon, after his lunch.

# No more tears

Ireland’s golf prodigy Shane Lowry delivers a magnificent comeback win at The Open

## OVER THE TOP

Meraj Shah



“A CALM DAY for Portrush,” intoned the weatherman on the radio after predicting gusts of 15 to 25 miles per hour and moderate rain on Sunday last week. As the final round of the Open Championship got underway, veteran Scottish golfer, Sam Torrance, sitting in the commentary box at the Royal Portrush Golf Club, keenly observed the dark clouds moving in from the North Atlantic, and chuckled wryly. “Either the forecaster doesn’t play golf, or he’s a member (of Royal Portrush Golf Club).” The conditions, that would qualify as inclement in pretty much any part of the world except Ireland, (and perhaps Scotland), typified the British Open’s moniker of ‘the true test of golf’—a claim that buttresses the logic of why the oldest championship in golf is definitively referred to as ‘The Open Championship.’ Links golf, where it’s been played along the coast for centuries, is all about man versus the elements, and therefore, man, against his own

follies and strengths.

The Dunluce Links at Royal Portrush provided the heady mix of tradition and history that the Open Championship is steeped in. A course that has never been outside the Top 100 courses of the world ever since rankings began, and which has been stymying golfers for close to 150 years continues to rely, unlike modern layouts, on unpredictable weather conditions, rather than mere length, to challenge players. Sidelined as a venue for the Open on account of volatile political conditions and social unrest in Northern Ireland since 1951, Royal Portrush is part of the milieu where some of the world’s finest golfers cut their teeth in the game. These include major winners Darren Clarke, Rory McIlroy, Graeme McDowell, and now, as the entire world knows—Shane Lowry.

Even before Lowry’s magnificent performance to win the Open last week, the Ulsterman had signalled a return to form by winning the HSBC Abu Dhabi Championship on the European Tour in January this year. It was only his second victory on the continental tour ever since he turned pro and came five long years after he won the Portugal Masters in 2012. Not that he was winless throughout—in 2015 he won



Golfer Shane Lowry, a prodigy who stunned the golfing world when he won the Irish Open as a 20-year-old amateur in 2007

the WGC Bridgestone Invitational on the PGA Tour. It hasn’t been a groundbreaking career, but certainly a successful one. Why then, you’ll ask, was Shane Lowry dubbed an underachiever until the win last week? Ask any Irish golf fan and he’ll tell you: Lowry is no ordinary golfer. A prodigy, a boy who stunned the golfing world when he won the Irish Open as a 20-year-old amateur in 2007, and was expected, to achieve great things when he turned pro.

While the friend he grew up playing with—McIlroy—would go on to deliver on that promise, Lowry’s fortunes never quite lived up to the hype.

In 2018 at Carnoustie, Lowry missed his third consecutive cut at the Open Championship. He spoke at the press conference last week about how he went to his car and wept. The slide had begun since he lost his nerve at the US Open in 2016. Leading by four strokes going into the final

round at Oakmont, Lowry crashed to a six over and finished way down the leaderboard. At Portrush last week, he remarked to his caddy after the end of the third round after seeing yet another four-shot lead, “...at least I won’t have to answer any questions about Oakmont, I’m four ahead going into the final round of a major.” In a sense the wry remark was typical of someone who’s been beaten down by golf. Not that Lowry need to be humbled—a dyed-in-the-wool traditionalist, and polite to a fault, Lowry has no airs about him. Playing with Phil Mickelson in the opening two rounds, Lowry reportedly told the American, “My game hasn’t really been where it should be for some time now. And it’s been an honour to play with you today.” You just don’t get that sort of niceness in pro golf anymore.

Lowry is different in other ways too: most players give practised responses to standard queries in the press room. Not Lowry: asked at the end of the third round about what he’s going to be thinking about that night, Lowry didn’t repeat any platitudes about ‘staying in the moment.’ “Obviously I’ll go to bed thinking about holding the Claret Jug,” he said. “It’s only natural, isn’t it?” There’s no point in saying ‘I’ll go out and enjoy myself tomorrow because it’s going to be a very stressful and very difficult day. So I’m going to take the bad shots on the chin and I’m going to take the good shots and try to capitalise. I’m just going to be myself and play my game and see where it leaves me.’

As it turned out, acknowledging those nerves helped Lowry overcome them. He started shakily but grew in confidence as the day wore on; the shot of the day came when he stiffed his 4-iron pin high on ‘Calamity’—the dreaded par-3 16th hole at Royal Portrush. At the end the man waltzed to victory with one of the biggest margins ever recorded in Open history—five strokes.

For those not aware of Ireland’s golfing tradition, the very vocal gallery that swelled to a quarter of million people, came as a bit of a surprise. Golf is an all-Ireland sport, much like rugby and Irish Football—that means it’s played on a national scale, with school, university and county teams competing regularly against each other with their legions of supporters. That’s why it looked like all of Ulster landed up on Portrush last Sunday—umbrellas, rain capes and all. And they found their hero all right. For an Ulsterman to win at home is beyond a dream come true. But this time, unlike the time he lost at Oakmont, Lowry had less ambition and more equanimity. “...I felt at the time in Oakmont my golf just meant a lot more to me back then than it does now. I’m not saying that it doesn’t mean everything. It’s my career. But I’ve got certain things in my life that make it different. I’ve got family now. No matter what I shoot, tomorrow my family will be waiting for me.”

*A golfer, Meraj Shah also writes about the game*