

## WHY THE CONGRESS IS WRONG

- ARUN JAITLEY

The Congress Party, for the past few days, has disrupted both houses of Parliament. Its Goebbelsian propaganda is that the party's leadership is a victim of political vendetta. What then are the facts?

A company was created for the purpose of starting a newspaper 'National Herald'. The company got allocation of prime land in several parts of the country. The land was meant to be used for the newspaper business. Today, there is no newspaper. There is only land and built up structures which are being commercially exploited.

A political party is entitled to collect funds for its political activities. For that purpose, it gets an exemption from payment of income tax. Rupees ninety crores from amongst the funds collected by the Congress Party are given to the newspaper company. Prima facie, it can be said that there a breach of the provisions of the Income Tax Act in as much as an exempted income is used for a non-exempt purpose.

The rupees ninety crore debt is then assigned to a Section 25 company for a paltry amount of rupees 50 lakhs. Tax exempted money effectively gets transferred to a real estate company. The real estate company now acquires 99% of the share-holding of the former newspaper company. Effectively, the Section 25 company substantially controlled by the leaders of the Congress Party now owns all the properties acquired for a newspaper publication, and for virtually no consideration, the Section 25 company owns all the assets. This profit will become huge taxable income in its hands.

Since 2012, as a private citizen, Dr. Subramaniam Swamy, alleges a breach of trust. It is the duty of every citizen to report an offence when it comes to his notice. Any citizen can set the process of criminal law into motion. A Trial Court issues summons on Dr. Swamy's complaint. The accused leaders of the Congress Party move the Delhi High Court for quashing, which grants them an interim protection. Eventually, the Delhi High Court dismisses the petition of the accused. The accused now have two alternatives. They can either challenge the order in the Supreme Court or appear before the trial court and contest the case on merits.

The facts are clear. By a series of financial transactions, the leaders of the Congress Party created 'Chakravayuh' for themselves. They have to find their own exit route out of the 'Chakravayuh'. They have acquired properties worth a huge amount without spending anything. They have used tax exempted income for a non-exempted purpose. They have transferred the income of a political party to a real estate company. They have created huge taxable income in favour of the real estate company. The Government, so far, has not taken any punitive action. The Enforcement Directorate has not issued any notice to them. The Income Tax authorities will follow their own procedure. The Criminal Court, meanwhile, has taken cognizance of the offence. The High Court has agreed with the Trial Court. The battle has to be fought legally. But the results of legal battles are always uncertain. The Congress is, therefore, crying foul and calling it political vendetta. Is that a charge against the Courts? The Government has passed no order in relation to the disputed transactions. There is equality before the law. No one is above the law. India has never accepted the dictat that the queen is not answerable to the law. Why should the Congress Party and its leaders not contest the notice before the Court? The Government cannot help them in the matter, nor can the Parliament. Why then disturb the Parliament and prevent the legislative activity from continuing? The answer to the Congress Party's leadership landing up in a 'Chakravayuh' is to fight their battle legally and not disrupt Parliament. By disrupting democracy the financial web created by the Congress leaders cannot be undone.