



हमारा लक्ष्य- भारत का आर्थिक पुनरुत्थान

Tuesday, December 20, 2016

Presentation

- Vision
- Social Reality
- Economic Reality
- Current Reality Loops

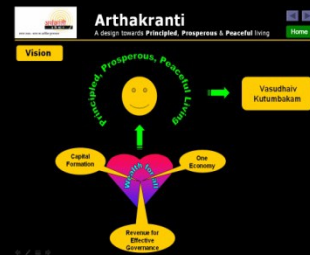
- Local Industry
- Credit Cycle
- Internal Borrowings
- Banking System
- Disinvestment
- Anti-Social Industries
- High Denomination Currency
- Farmers' Suicides

- Proposal
- Effects of Proposal
- Strategy
- Appeal

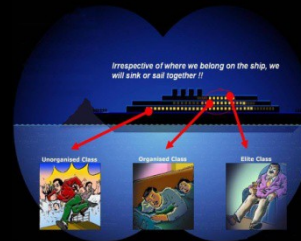
Linked Proposals

- Empowering Democracy
- Social Security Scheme
- Terrorism Analysis

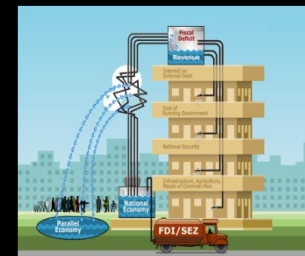
Animations



Vision



Social Reality



Economic Reality



FDI

Bank	Primary Deposits	Cash reserves	Loans / Derivative Deposits
A	2000 ¹	200	1800 ²
B	1800	180	1620
C	1620	162	1458
D	1458	145	1313
E	1313	131	1182
Eventually	20,000	2000	18,000 ³

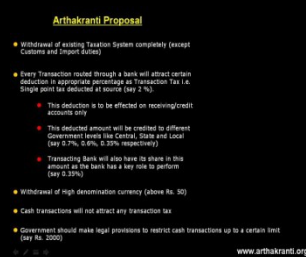
Credit Expansion



Credit Establishment



Flawed Taxation System



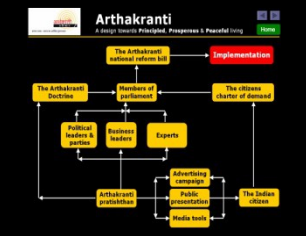
Proposal



Appeal



Proposed System



Strategy

Statistics

Sample Calculations

Narrow Money (Transaction Money) (M1) = Currency Money + Demand Deposits

For year 2010-2011

Currency Money	= 9,50,000
Demand Deposits	= 7,18,000
Narrow Money (M1)	= 16,68,000

Assuming 20% of M1 to be active in Daily Bank Transactions, Amount of money in Daily Bank Transactions (D1) = 3,33,600

Amount of money in Yearly Bank Transactions (Y1) = D1 * 365 = 3,33,600 * 365 = 12,17,64,000

Consider Bank Transaction Tax as 2% (notional) with shares of Central Government=0.7%, State Government=0.6% and Local Government=0.35%.

Combined Revenue for Centre (0.7%) and States (0.6%) = $Y1 * 1.3/100 = 32,17,64,000 * 0.013 = 418,81,320$

Revenue of State Governments (0.6%) = $\approx 7,31,000$

Revenue of Local Governments (0.35%) = $\approx 4,27,000$

Revenue for Banks (0.35%) = $\approx 4,27,000$

Currency Denomination

Country	Per Capita Income	Highest Denomination	Per Capita Income / Highest Denomination
USA	\$ 40,000	\$ 100	= 400
UK	20,000 £	50 £	= 400
Japan	40,00,000 ¥	10,000 ¥	= 400
India	Rs. 46,000	Rs. 1,000	= 46

Currency Calculations Denomination

Transaction Money

Country	Unit	Currency Money (A)	Bank Money (B) = Demand Deposits (Withdrawable by cheque) (B - A)	Bank Money (C) = Currency Money (B / A)
Australia	Billion Australian \$	59	222	272
China	Trillion Yuan	5	24	4.80
Japan	Trillion Yen	75	443	5.91
South Korea	Trillion Won	38	98	1.36
New Zealand	Billion New Zealand \$	3.74	27.84	31.58
Singapore	Billion Singapore \$	24	105	1.29
EURO AREA	Billion Euros	847	3,342	4.789
UK	Billion £	54	1,055	1.93
USA	Billion US \$	1,000	1,170	1.17
India	Billion Indian Rupees	10,700	7,050	1.750

TABLE 11B: DIRECT AND INDIRECT TAX REVENUES OF CENTRAL AND STATE GOVERNMENTS

Year	Centre (Crus)		States		Centre and States Combined	
	Direct	Indirect	Direct	Indirect	Direct	Indirect
2000-01	45366	232071	188623	23491	19921	11273
2001-02	49137	117623	187669	13361	198730	11887
2002-03	43265	133831	212366	17714	119820	13654
2003-04	122771	172387	340938	23375	157962	18647
2004-05	162301	200949	361159	30211	188225	22944
2005-06	128332	242328	47512	37339	223921	35777
2006-07	212386	280449	393147	44861	249406	35489
2007-08	232836	274427	462359	129836	374171	42832
2008-09	303506	246887	623055	142861	381235	52184
2009-10	430000	316051	746351	174266	630811	63747
2010-11	430000	316051	746351	174266	630811	63747

Bank Money

Direct & Indirect tax

Revenue of Center and States taken together

Year	Direct	Indirect	Total
2010-2011 Budgetary Estimates	15,83,000	23,75,000	31,66,000
11,61,241	20	30	40
	% of Total Narrow Money in Daily Bank Transactions		
	Currency Money	Demand Deposits	Narrow Money
	$\approx 9,50,000$	$\approx 7,18,000$	$\approx 16,68,000$

Considering a Total Narrow Money of Rs. 16,68,000 Crores - with a moderate assumption of 20 to 40% of this amount to be active in daily bank transactions.

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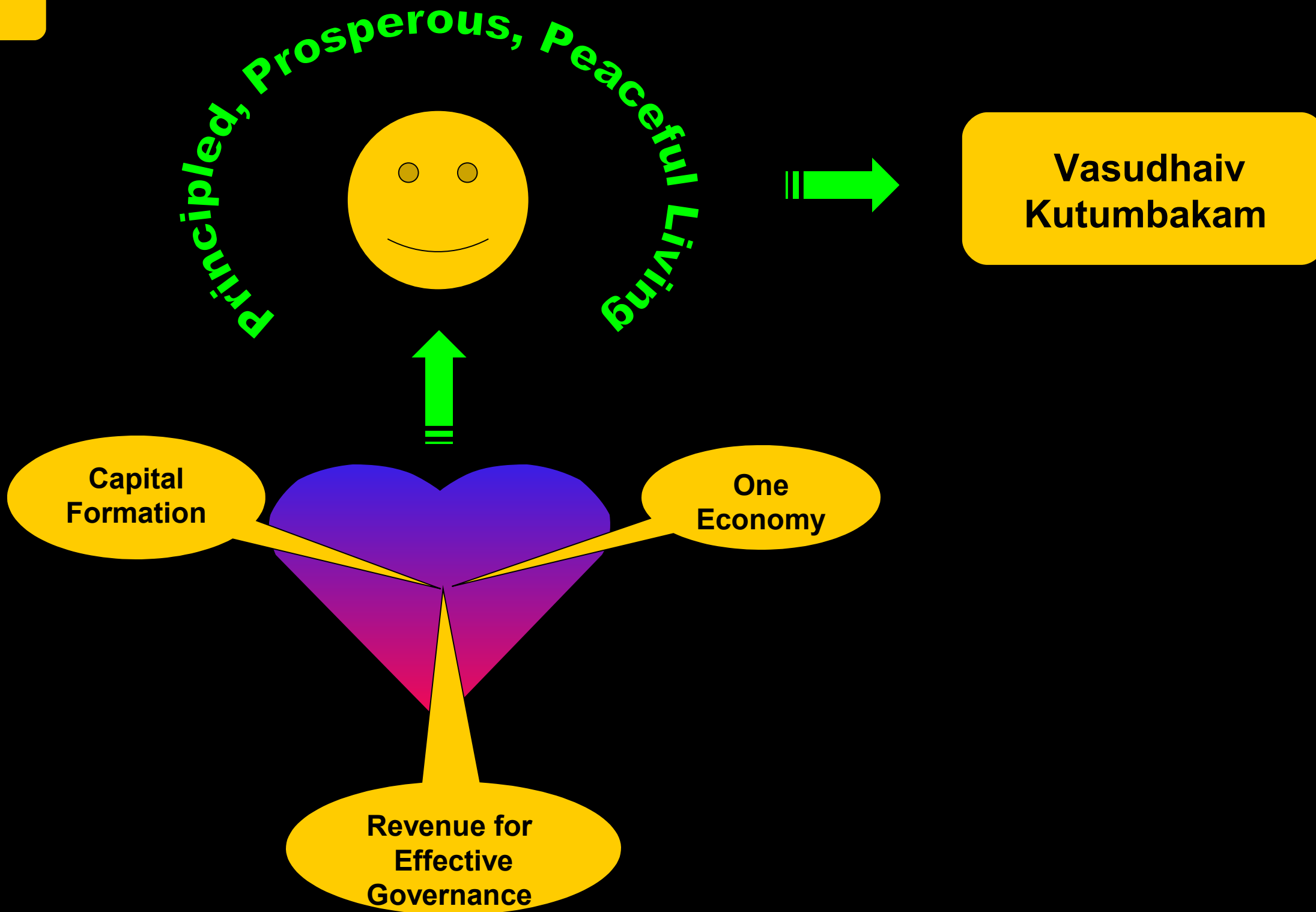
Analysis of commodity prices

Product	MFG cost	Taxes	Sales price	Chinese cost
Cement	80	≈ 180	≈ 240	72
Motor bike	21,000	21,000	42,000	25,000
Petrol	24.0 / lit	26 / lit	50 / lit	-
Diesel	26 / lit	14 / lit	40 / lit	-

Revenue after BTT

Commodity Prices

Vision



Social Reality

Irrespective of the class to which we belong, we will sail or sink together

Unorganised Class



Organised Class

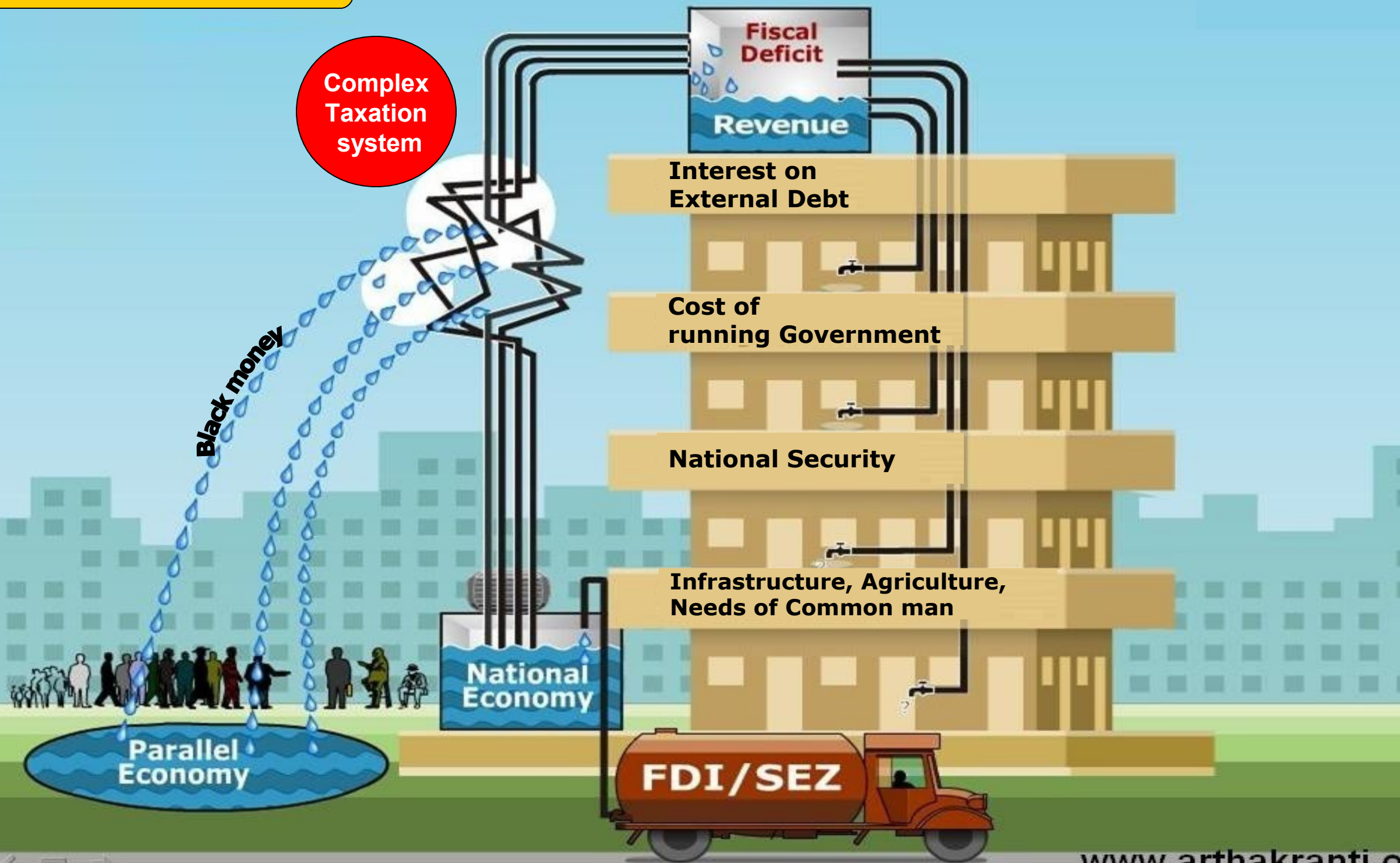


Elite Class

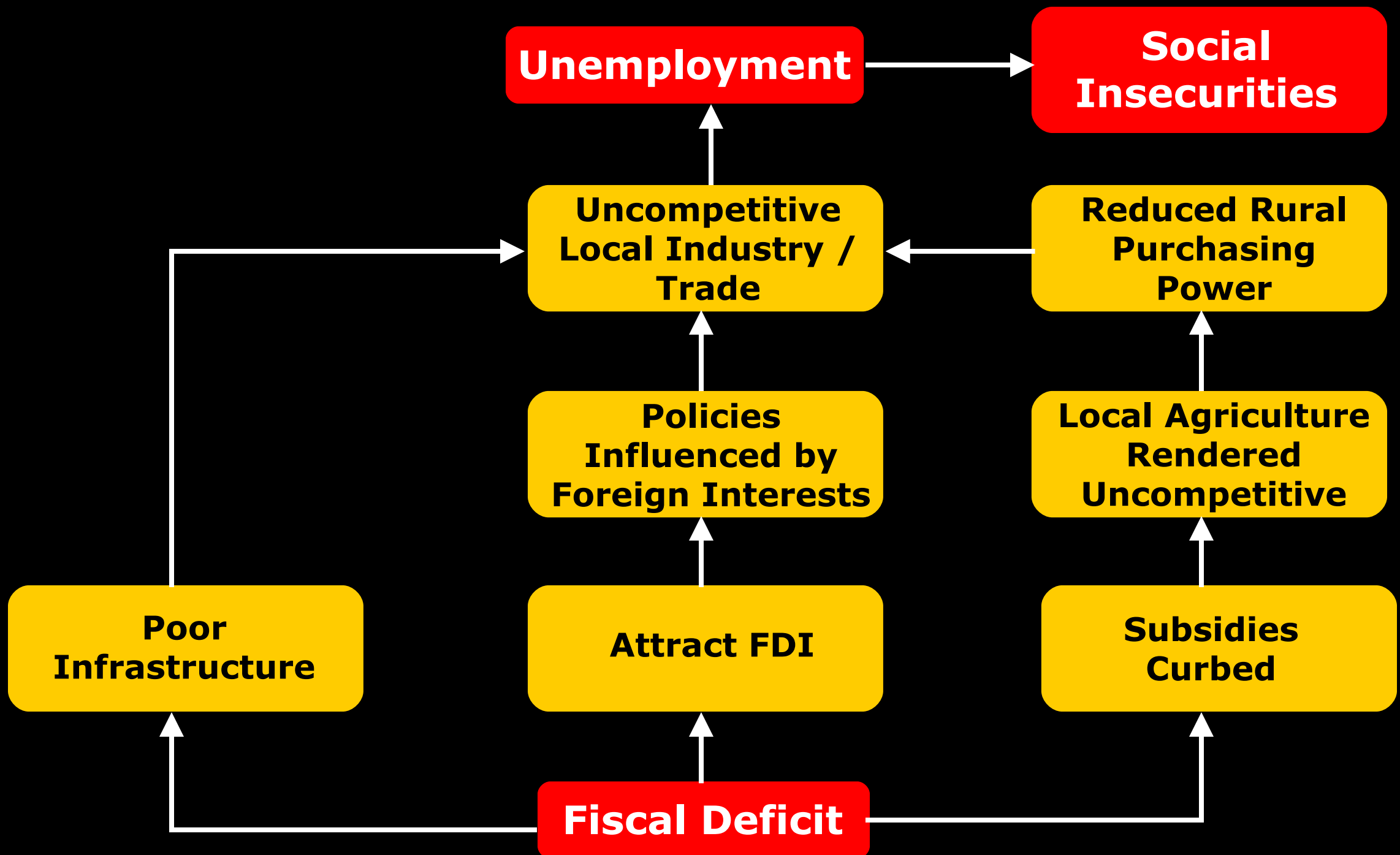


Economic Reality

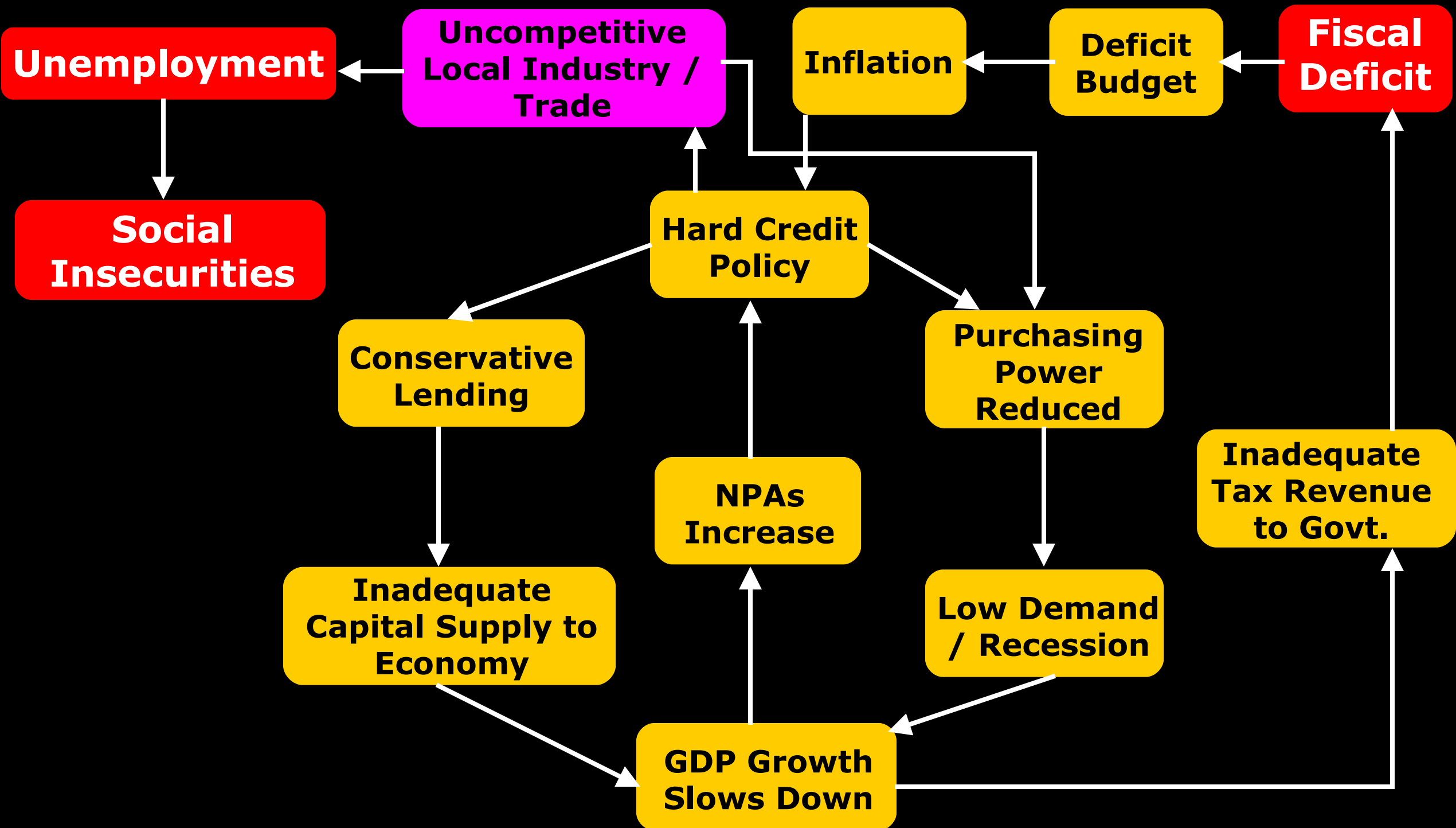
The leaking pipes represent our complex taxation system.



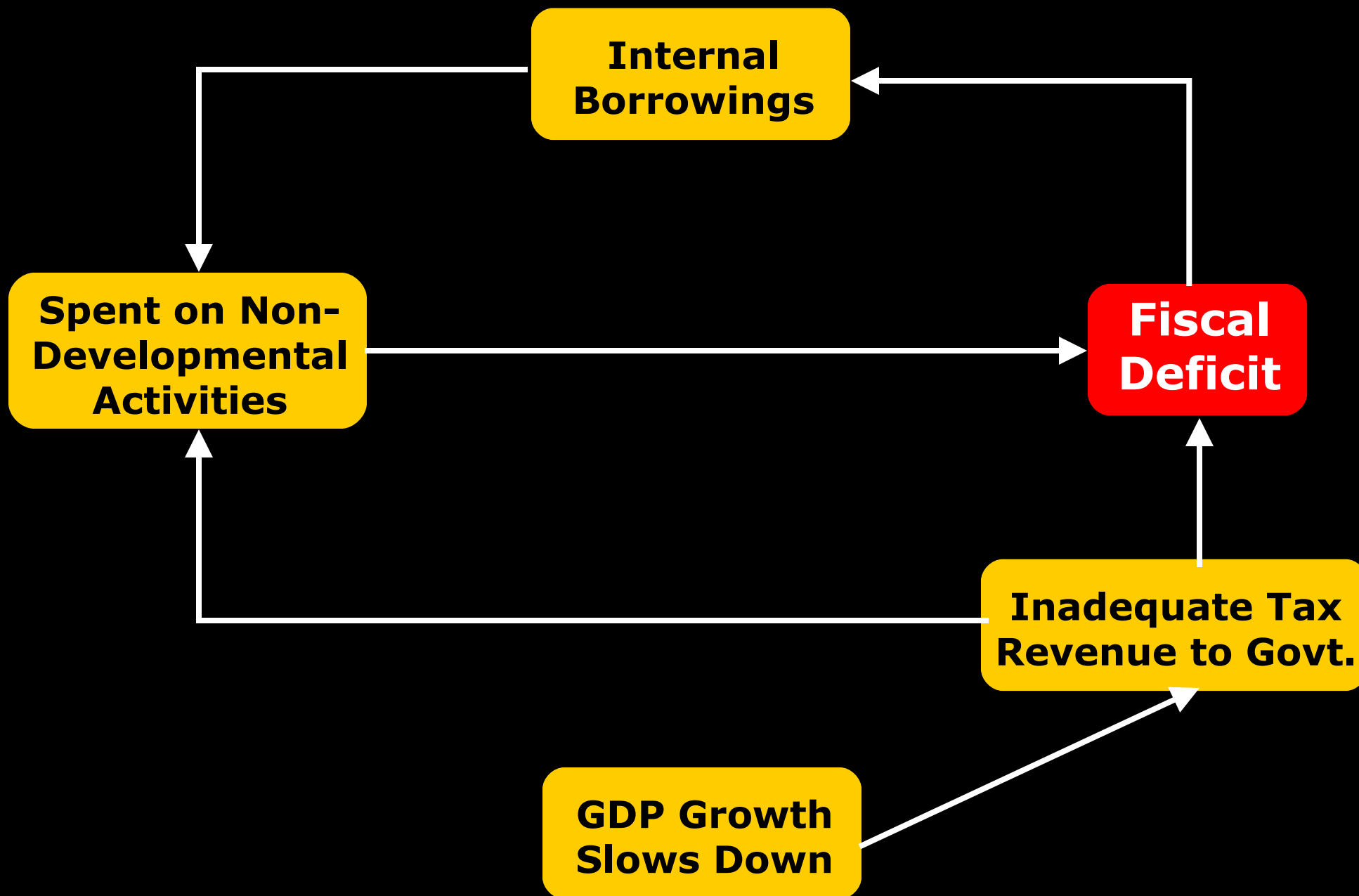
Effects of Fiscal Deficit on Local Industry



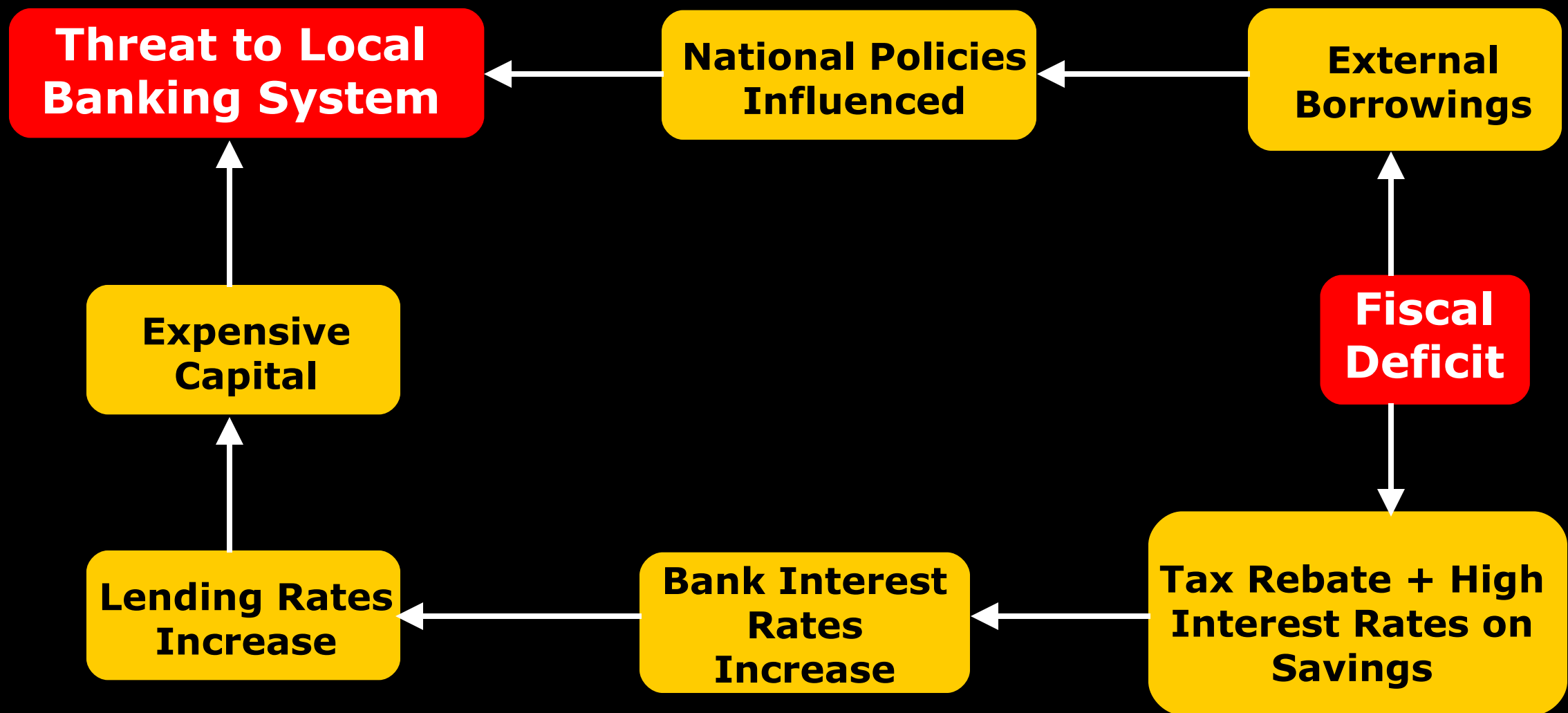
Effects of Fiscal Deficit on Credit Cycle & Government Revenue



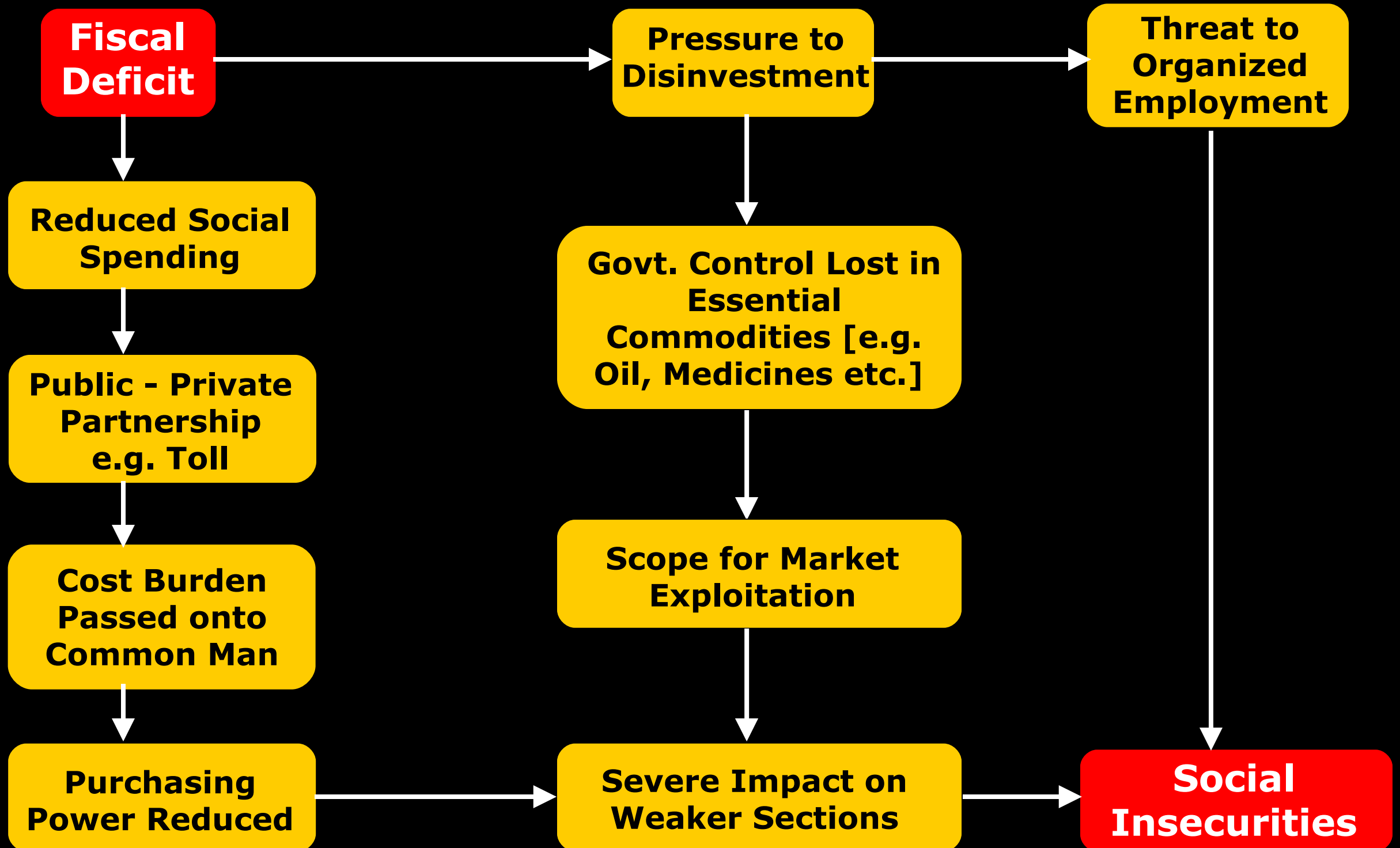
Effects of Internal Borrowings on Fiscal Deficit



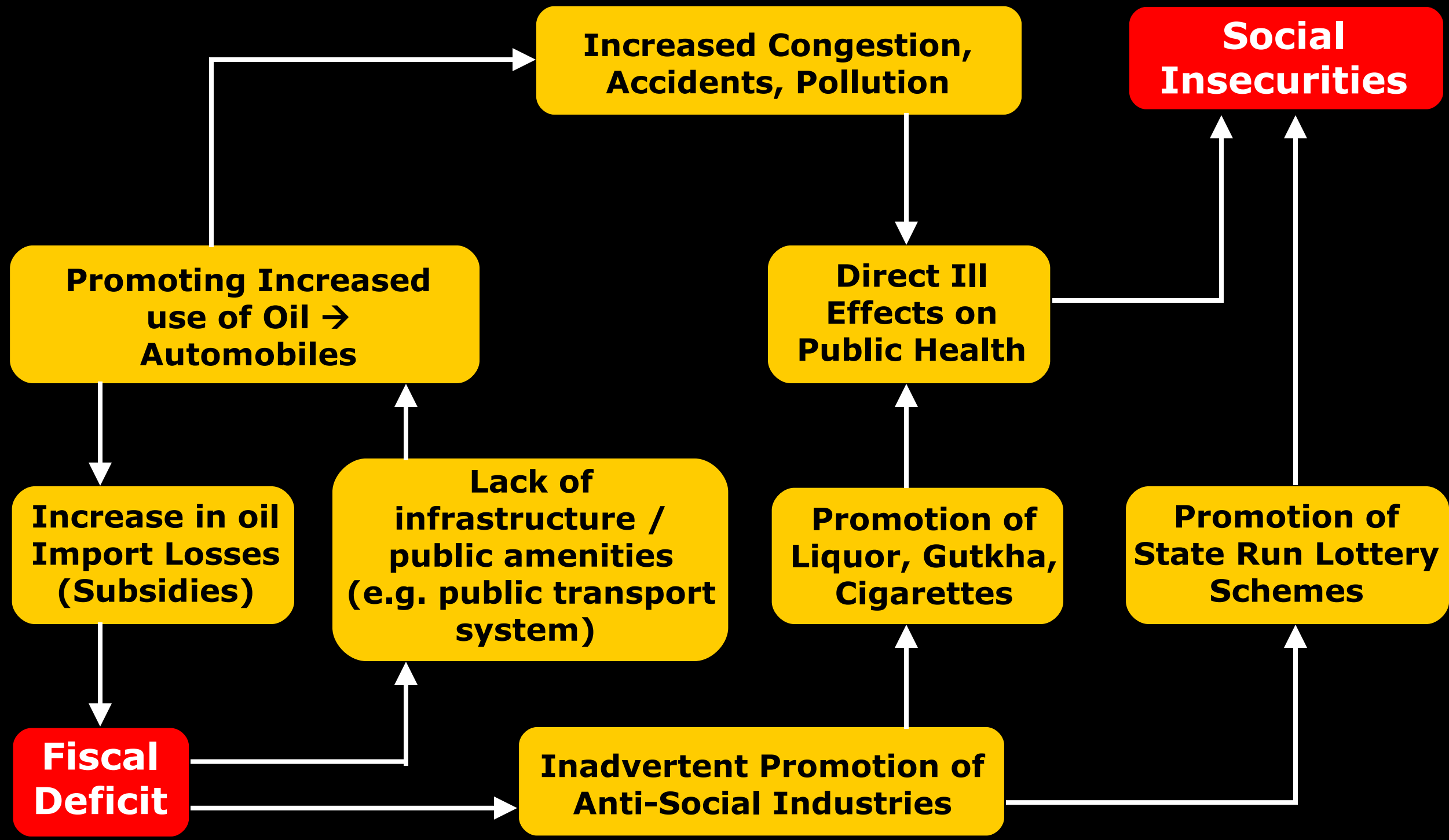
Effects of Fiscal Policy & External Borrowings on Credit Policy & Banking System



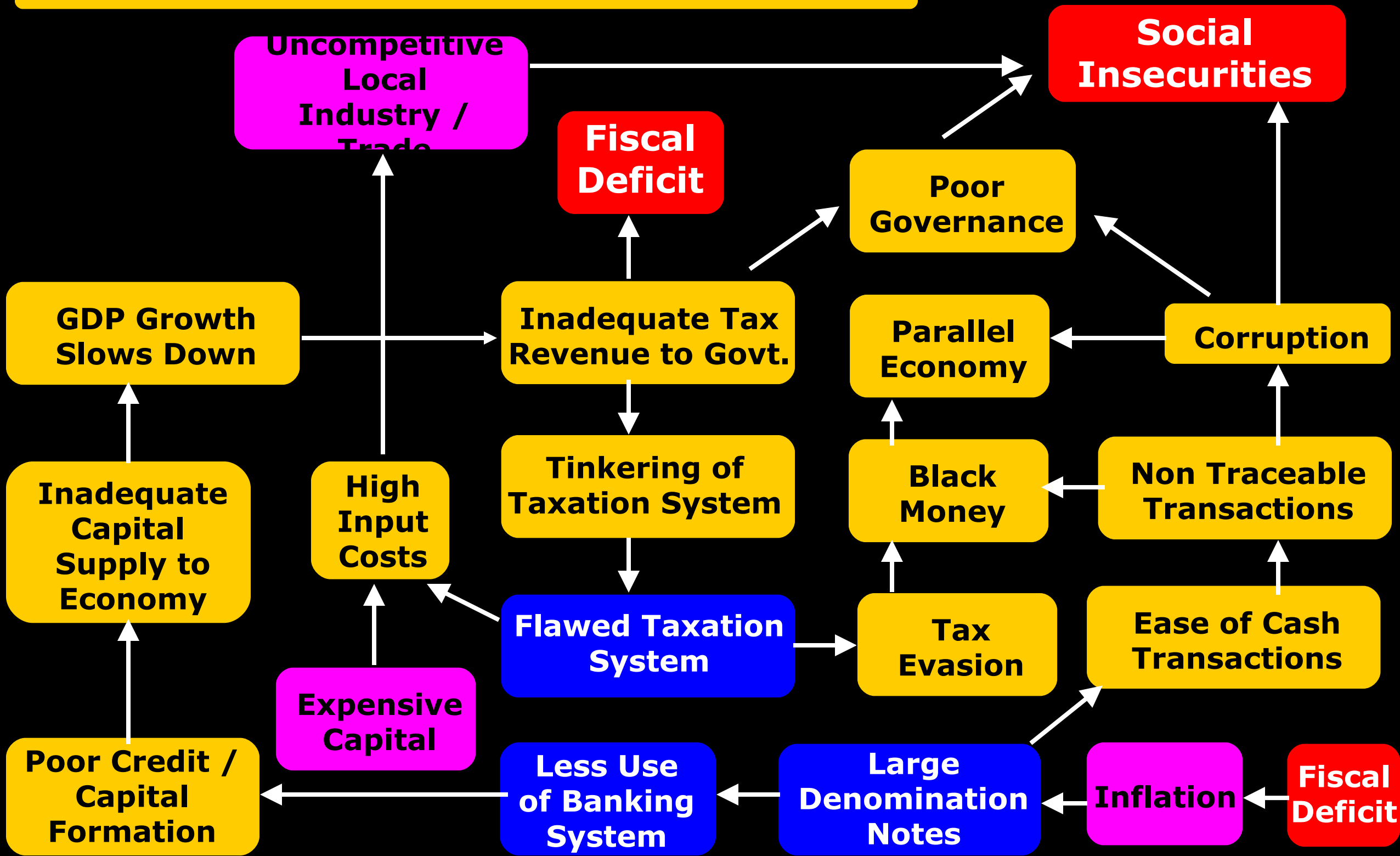
Effects of Fiscal Deficit on Disinvestment Policies & Reduced Social Spending



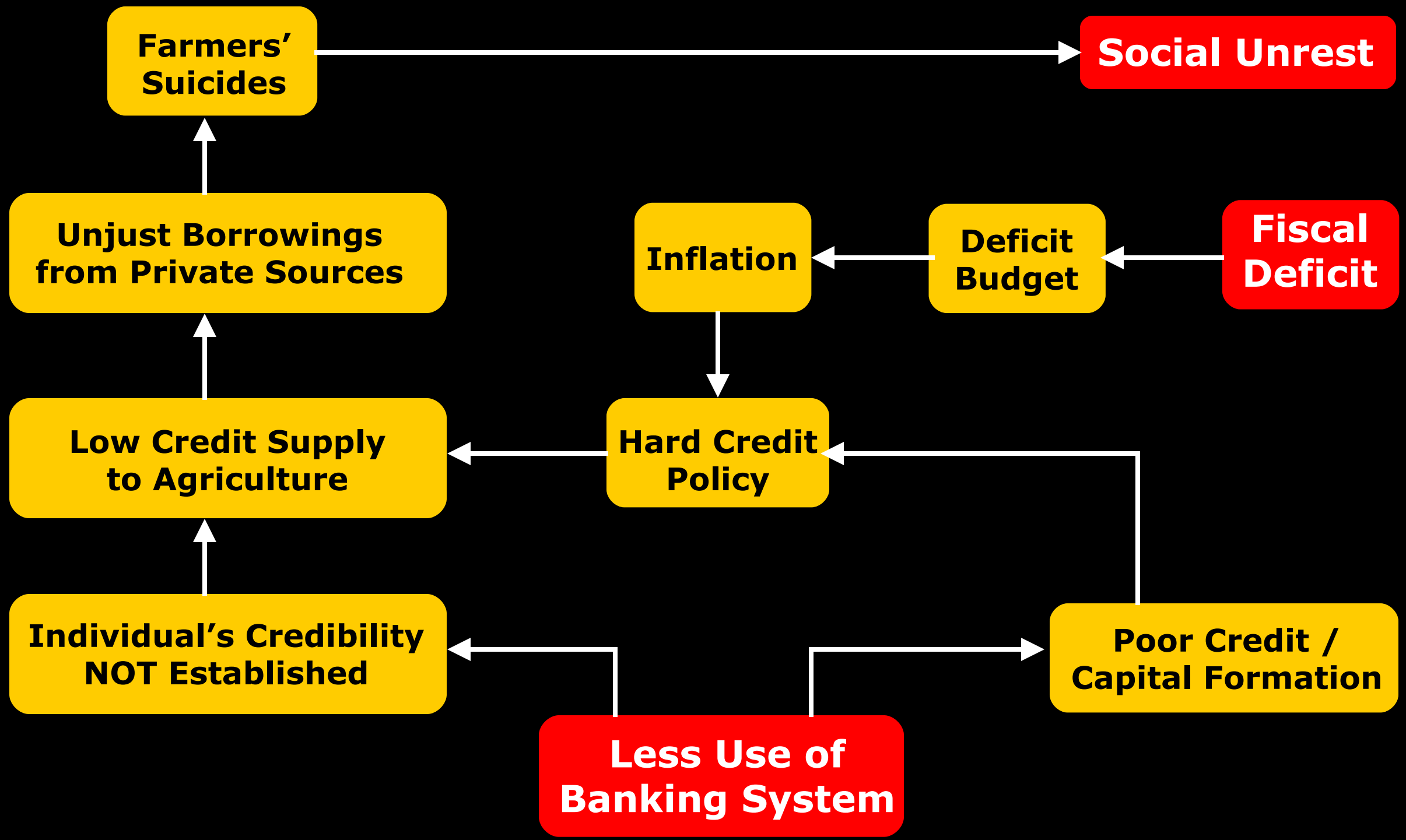
Effects of Fiscal Deficit on Anti-Social Industries



Effects on Taxation System & High Denomination Currency



Effects of Fiscal Deficit on Credit Cycle & Farmers' Suicides



Flawed Taxation System

- **Narrow Base and Limited Coverage of Direct Taxation**
- **Direct to Indirect Tax Ratio is 44:56** [Show](#) [Statistics](#)
- **Inequitable and hence Regressive** [Show](#)
- **Non-Productive** [Show](#)
- **Uncertain** [Show](#)
- **Inelastic** [Show](#)
- **Uneconomical** [Show](#)
- **Complex nature of taxes** [Show](#)
- **Tax laws open for interpretation** [Show](#)

How should it be... [Show](#)



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Currency Denomination

Country	Per Capita Income	Highest Denomination	Per Capita Income / Highest Denomination
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Currency Denomination Distribution

Credit Establishment

Less Use of Banking System Obstructs Credit Registration of a lot of Citizens in the National Economy

Ramabai works as meal maker & employer pays cash to her..



Only purchasing power is given to employee and no credibility.

Employer takes her to bank and Ramabai gets loan against employer's security.



Ramabai enter in national economic main stream.

Ramabai demands Rs.10,000 for medical need. Employer lends on monthly repayment terms.



Financial Credit Established with Employer

Employer pay Ramabai by cheques. She gets credibility along with the purchasing power.



Ramabai's credit history gets registered in the banking system

After 6 months, Ramabai demands Rs.1 Lakh for her daughter's marriage.



Employer (Individual) is unable to lend big amount.

Today Ramabai needs Rs.40,000 to buy a motorbike for her grandson & this time bank is willing to lend.



Ramabai's credibility is finally established in the national economy.



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ArthaKranti Proposal

- Withdrawal of Existing Taxation System Completely* (except Customs/Import Duties)
** All Central, State and Local Government Taxes – Direct and Indirect*
- Every Transaction routed through a bank will attract a certain deduction in appropriate percentage as Bank Transaction Tax i.e. Single Point Tax Deducted at Source (say 2 %)
 - This deduction is to be effected on receiving/credit account only
 - This deducted amount will be credited to different Government Levels like Central, State and Local (as say 0.7 %, 0.6 % and 0.35 % respectively)
 - Transacting Bank will also have its share in this deducted amount (say 0.35 %) as the Bank has a key role to perform
- Cash Transactions will not attract any tax
- Withdrawal of High Denomination Currency (say above Rs. 50)
- Government should make legal provisions to restrict cash transactions up to a certain limit (say Rs. 2,000)
This means, Cash Transactions above this limit will NOT enjoy any legal protection.



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Effects of ArthaKranti Proposal

Adequate
Revenue to
Government

Tax Revenue
Increases by Orders
of Magnitude

Adequate
Revenue to Govt.

[Show](#)

Increase in
Banking
Transactions

High Value Cash
Transactions
Not Practical

Bank Transaction Tax
(Say 2%)

High Denomination
Currency is Removed
(Say above Rs. 50)

Legal Provision Made
Restricting Cash Transactions
up to a Certain Limit
(Say Rs. 2000)

Existing Cash
Deposited in Banks &
Attracts BTT



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Effects of ArthaKranti Proposal

Adequate Revenue to Government

Anti-Social and Anti-National Elements Effectively Checked

Black Money Eliminated

Anti-Social and Anti-National Elements Effectively Checked

Opportunities for Corruption Eliminated

Tax Collection is Simplified

Fake Currency Eliminated

Bank Transaction Tax (Say 2%)

High Denomination Currency is Removed (Say above Rs. 50)

Legal Provision Made Restricting Cash Transactions up to a Certain Limit (Say Rs. 2000)

Existing Cash Deposited in Banks & Attracts BTT



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Effects of ArthaKranti Proposal

Adequate Revenue to Government

Anti-Social and Anti-National Elements Effectively Checked

Industry Trade, Supply Stimulated

Industry Trade, Supply Stimulated

Market Demand Boosted

Purchasing Power of Society Increased

Increase in Banking Transactions

Cheap and Easy Capital

Part of BTT goes to Banks

Net Banking Revenue Increases

Globally Competitive Interest Rates

Bank Transaction Tax (Say 2%)

High Denomination Currency is Removed (Say above Rs. 50)

Legal Provision Made Restricting Cash Transactions up to a Certain Limit (Say Rs. 2000)

Existing Cash Deposited in Banks & Attracts BTT



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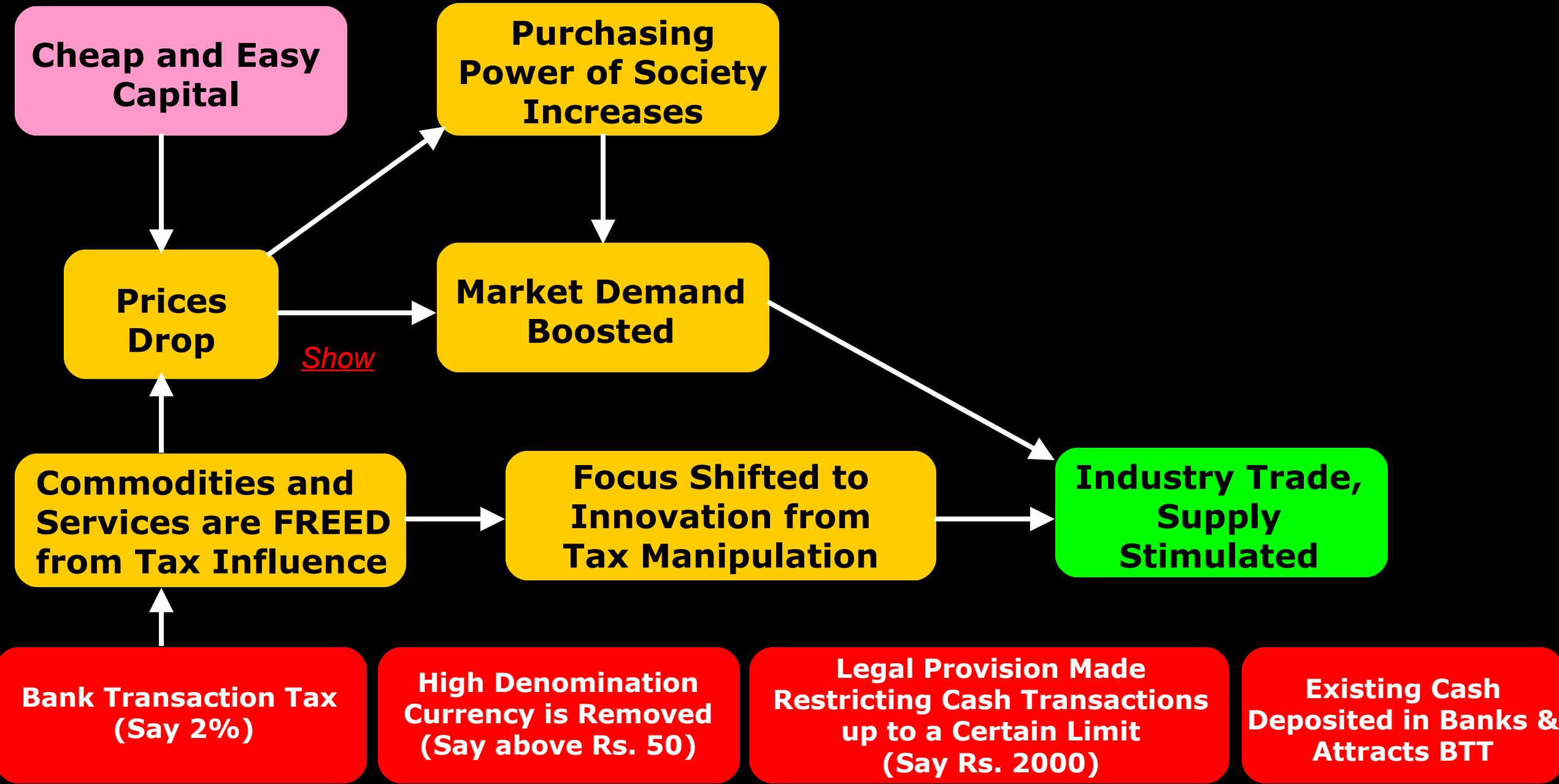
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Effects of ArthaKranti Proposal

Adequate Revenue to Government

Anti-Social and Anti-National Elements Effectively Checked

Industry Trade, Supply Stimulated



Show



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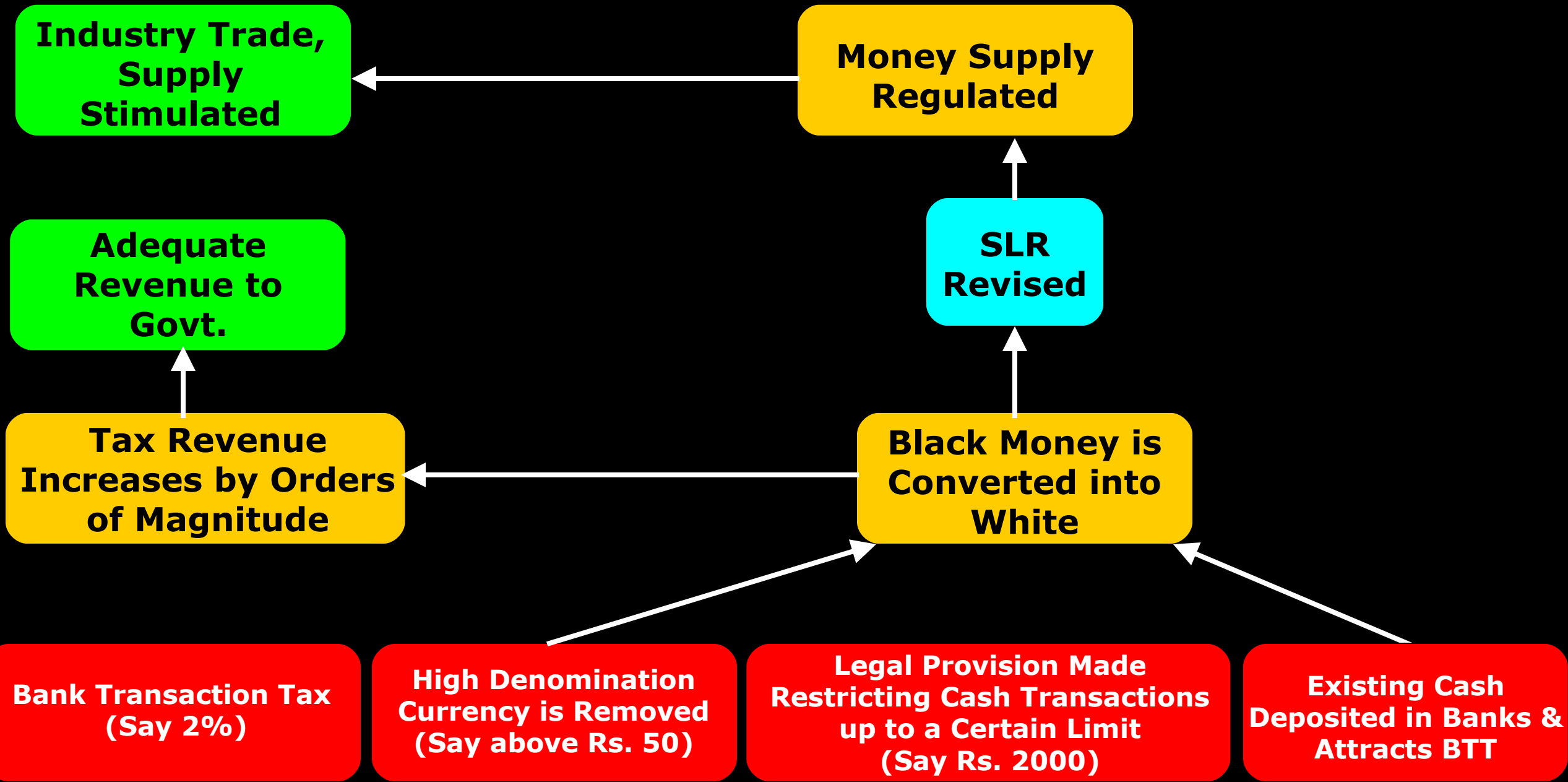
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Effects of ArthaKranti Proposal

Adequate Revenue to Government

Anti-Social and Anti-National Elements Effectively Checked

Industry Trade, Supply Stimulated





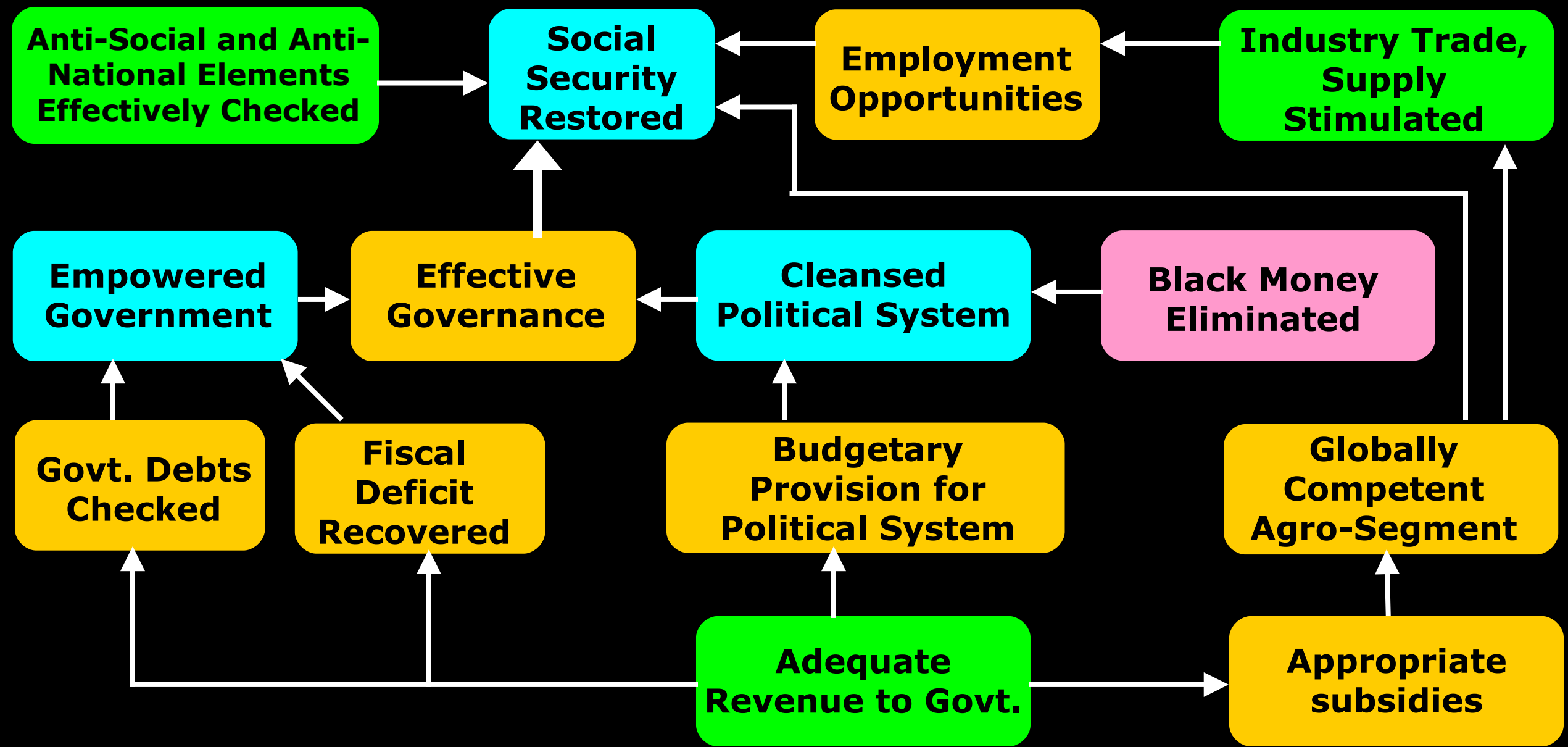
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Effects of ArthaKranti Proposal



Bank Transaction Tax (Say 2%)

High Denomination Currency is Removed (Say above Rs. 50)

Legal Provision Made Restricting Cash Transactions up to a Certain Limit (Say Rs. 2000)

Existing Cash Deposited in Banks & Attracts BTT



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**Increased
Purchasing
Power**

**Anti-Social and Anti-
National Elements
Effectively Checked**

**Decentralized
Revenue
Collection System**

**Elimination of
Black Money**

**Building
Individual's
Credibility**

**Social Security
Scheme**

**Cheap and Easy
Credit
Availability**

**EMPOWERED
INDIA**

**Industry,
Trade, Supply
Stimulated**

**Revenue for
Banking**

**Tax Burden
Reduced with BTT**

**Budgetary
Provision for
Political System**

**Creativity FREED
from Tax
Manipulation**

**Elimination of
Means & Motives
for Corruption**

**Adequate
Revenue to run
Govt. Programs**

**Bank Transaction Tax
(Say 2%)**

**High Denomination
Currency is Removed
(Say above Rs. 50)**

**Legal Provision Made
Restricting Cash Transactions
up to a Certain Limit
(Say Rs. 2000)**

**Existing Cash
Deposited in Banks &
Attracts BTT**

**We have seen a Dream..
A Dream of Principled, Prosperous and Peaceful India !
and we are going to fulfill the Dream !**



**Let's Join Hands!
Let's Make it Happen!**

www.arthakranti.org



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Jai Hind!

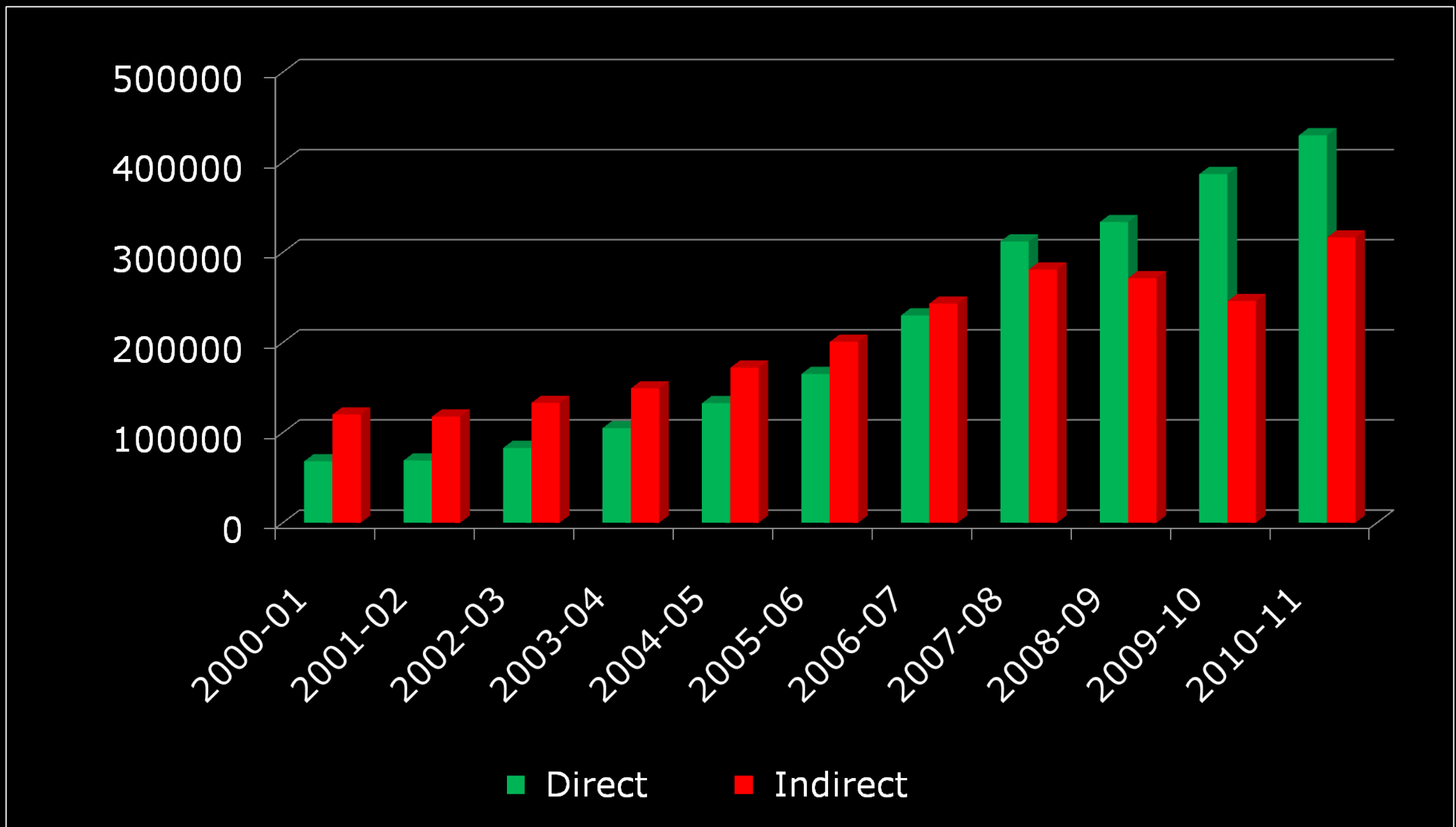
TABLE 116 : DIRECT AND INDIRECT TAX REVENUES OF CENTRAL AND STATE GOVERNMENTS

(Rupees Crore)

Year	Centre (Gross)			States			Center and States Combined		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
2000-01	68306	120297	188603	12449	99921	112370	80755	220218	300973
2001-02	69197	117863	187060	13309	108578	121887	82506	226441	308947
2002-03	83085	133181	216266	17714	118920	136634	100799	252101	352900
2003-04	105090	149258	254348	20096	133654	153750	125186	282912	408097
2004-05	132771	172187	304958	23375	157042	180417	156146	329229	485375
2005-06	165201	200949	366150	30211	180235	210446	195412	381184	576596
2006-07	230192	243320	473512	37579	212932	250511	267771	456252	724023
2007-08	312198	280949	593147	43409	240940	284349	355607	521889	877496
2008-09	333826	271473	605299	129806	353177	482983	463632	624650	1088282
2009-10	387008	246087	633095	143869	387135	531004	530877	633222	1164099
2010-11	430000	316651	746651	174266	452881	627147	604266	769532	1161241

Distribution of Central Government's Direct & Indirect Tax Revenues

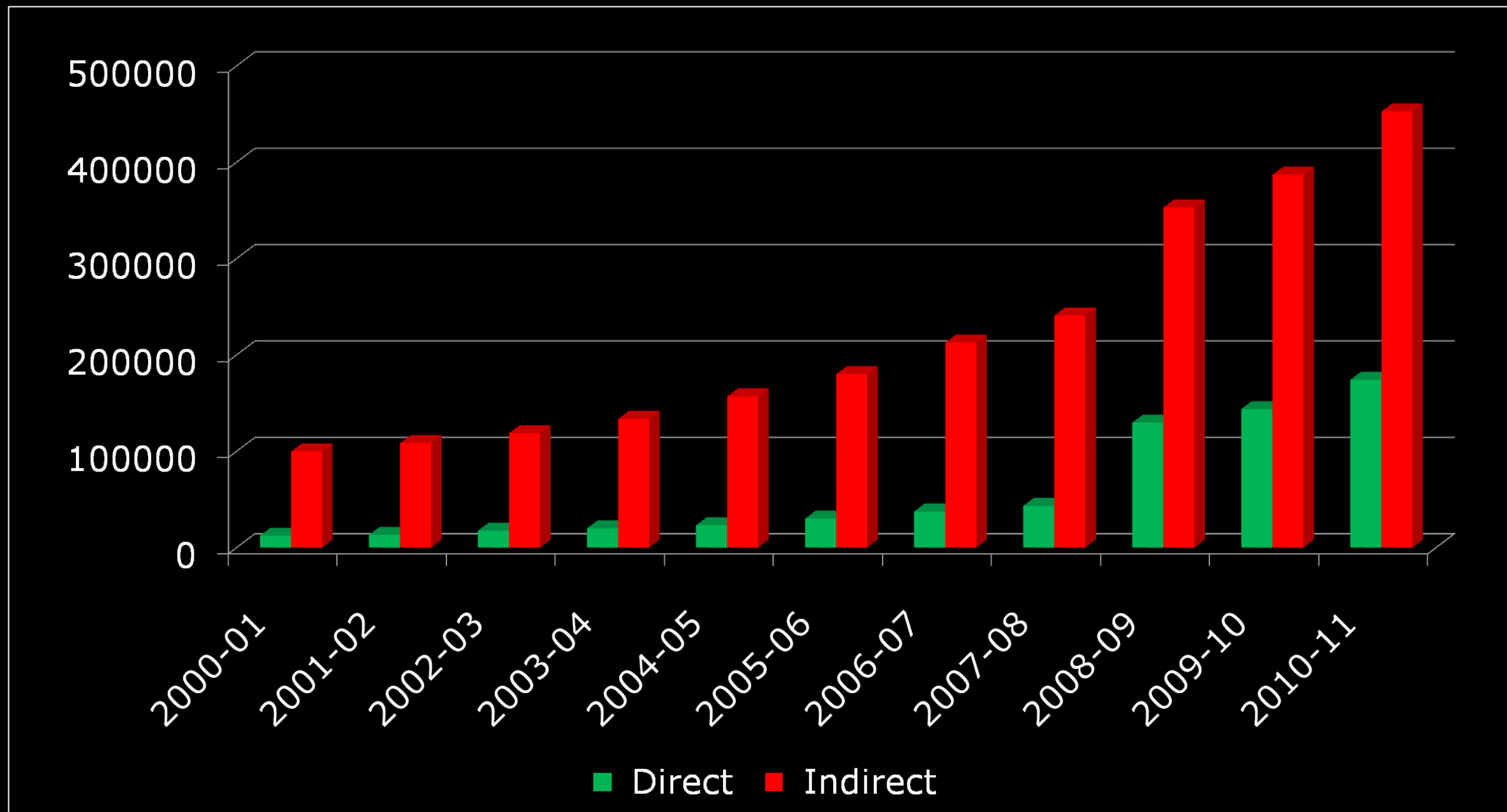
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All figures in Rupees Crores

Distribution of State Governments' Direct & Indirect Tax Revenues

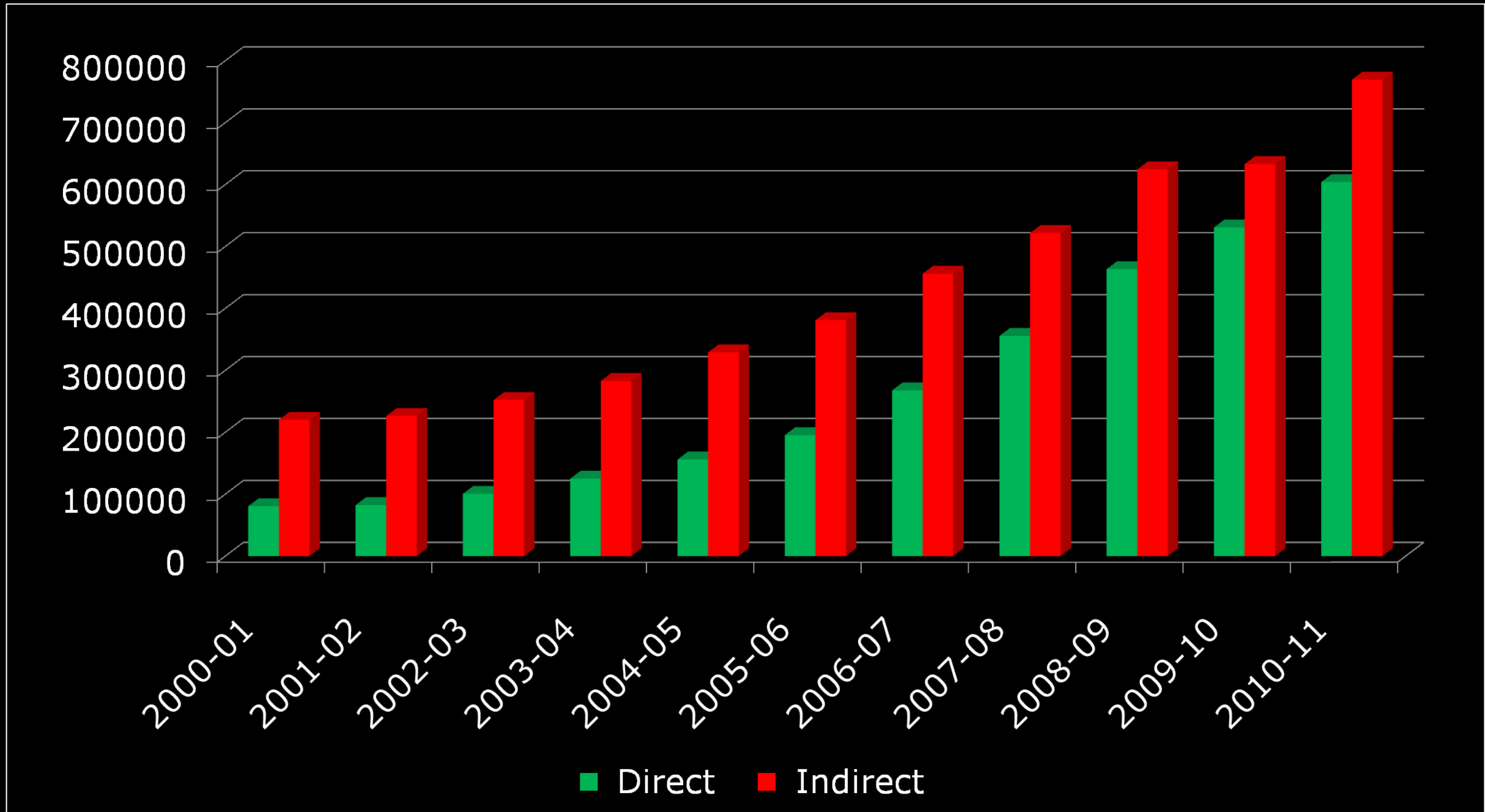
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All figures in Rupees Crores

Distribution of Central & State Governments' Combined Direct & Indirect Tax Revenues

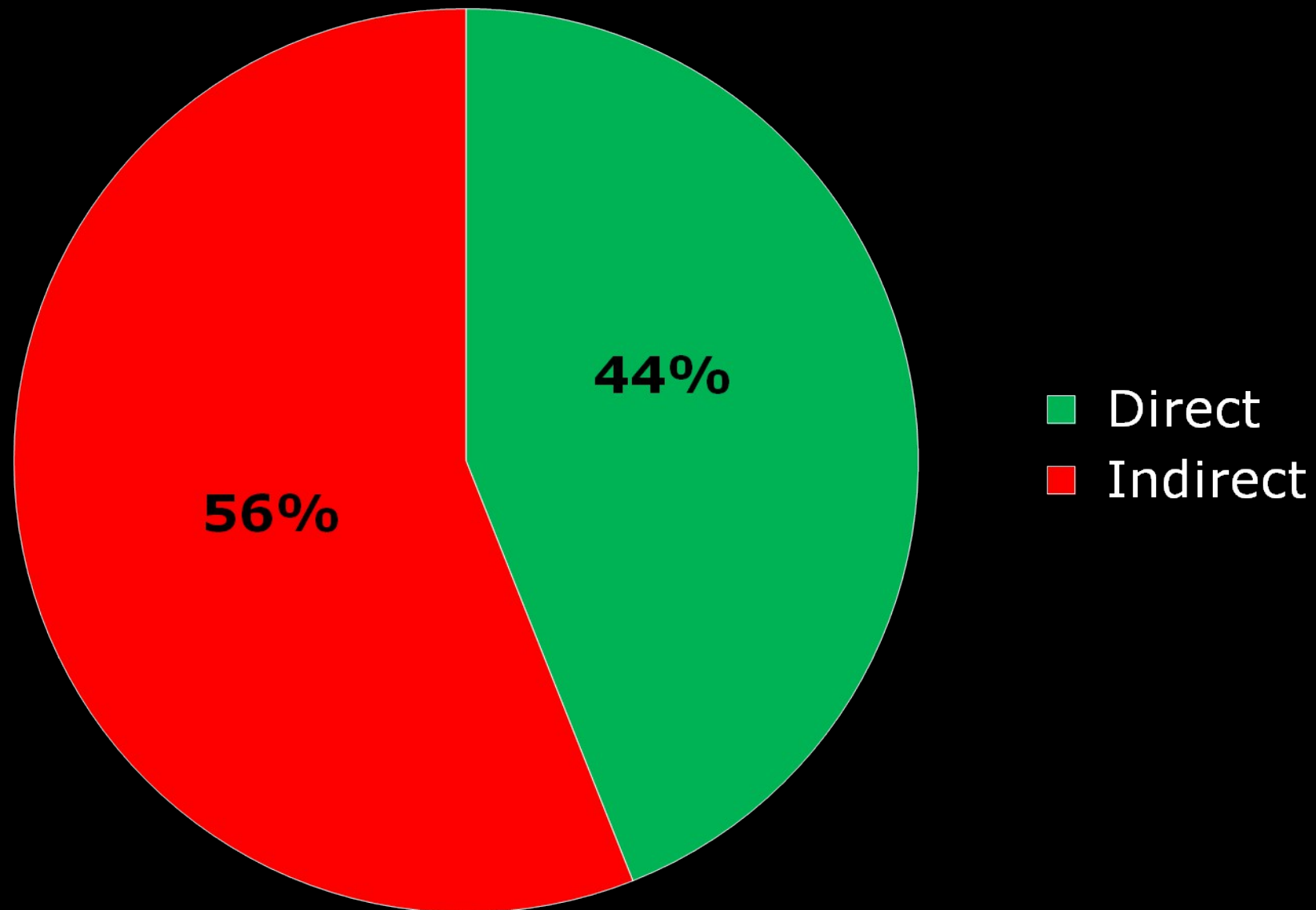
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All figures in Rupees Crores

Distribution of Centre & State Governments' Combined Direct & Indirect Tax Revenues for the Year 2010-2011

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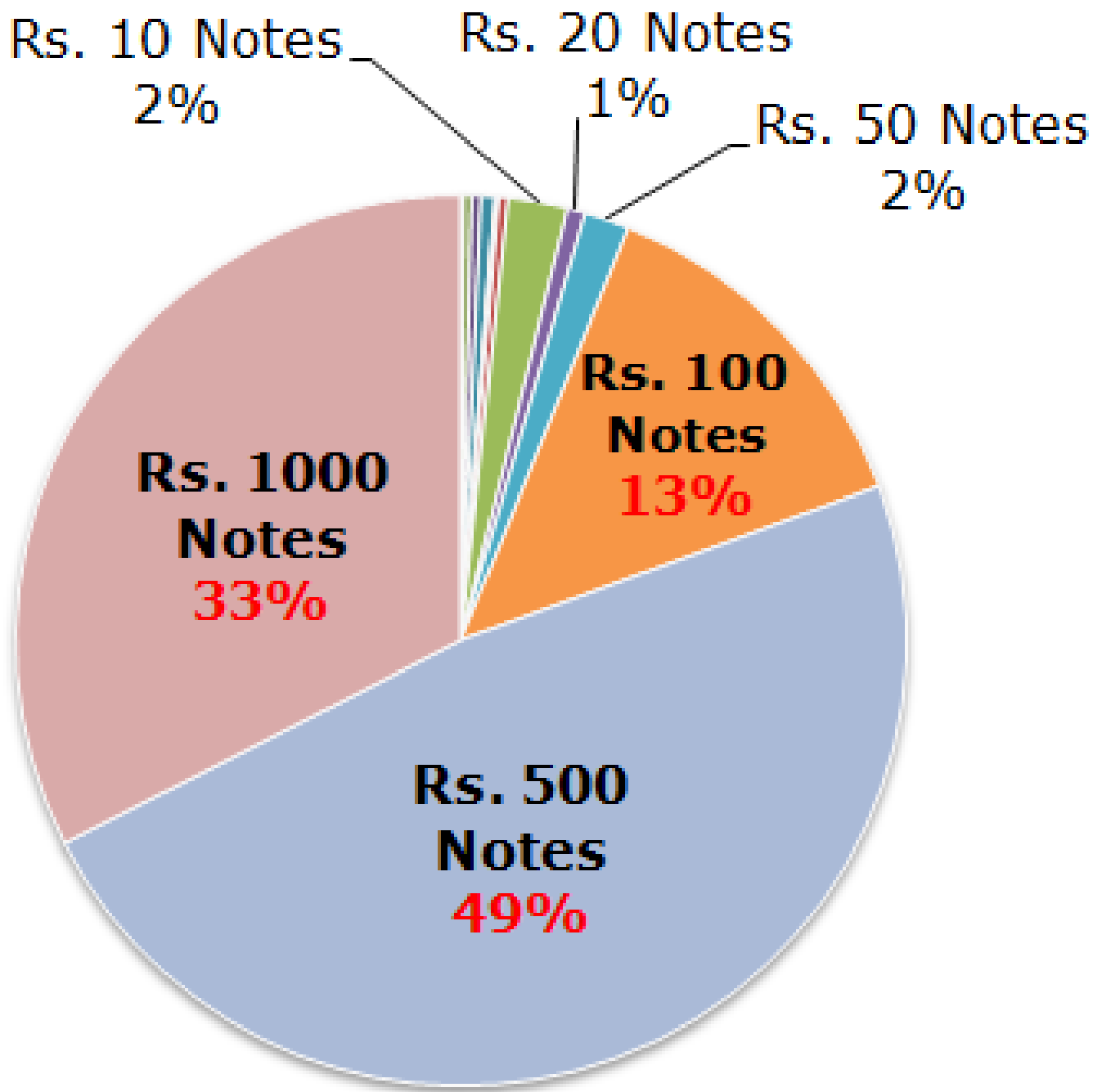
















Currency Denomination Distribution: 1999 to 2012

Crore Rupees

Year	Coins	Re. 1 Notes	Rs. 2 Notes	Rs. 5 Notes	Rs. 10 Notes	Rs. 20 Notes	Rs. 50 Notes	Rs. 100 Notes	Rs. 500 Notes	Rs. 1000 Notes
1999-00	4284	308	512	1152	13282	1010	33230	85831	57250	-
2000-01	5051	307	471	1016	12336	1012	32818	108141	52947	3719
2001-02	5962	308	538	1264	11989	1531	35601	118041	68512	7179
2002-03	6667	305	483	1739	9088	3425	35191	115386	93813	15971
2003-04	6900	299	472	2276	7750	4383	33027	121442	122938	27473
2004-05	7052	299	462	2086	6770	3876	29941	123282	152728	42082
2005-06	7352	299	451	1980	6274	4077	27842	134637	182332	64346
2006-07	7761	301	447	1887	7155	4178	27951	135444	225400	93676
2007-08	8825	300	636	2111	9333	4108	26508	134575	263108	141219
2008-09	9657	300	665	2271	12222	4399	24440	137028	308304	191784
2009-10	10771	299	698	2233	18536	4681	21057	138364	364479	238252
2010-11	12328	299	851	3430	21288	6040	15980	140243	445311	302713
2011-12	13159	299	851	3643	23002	7020	17438	141188	512807	346881

2011-2012

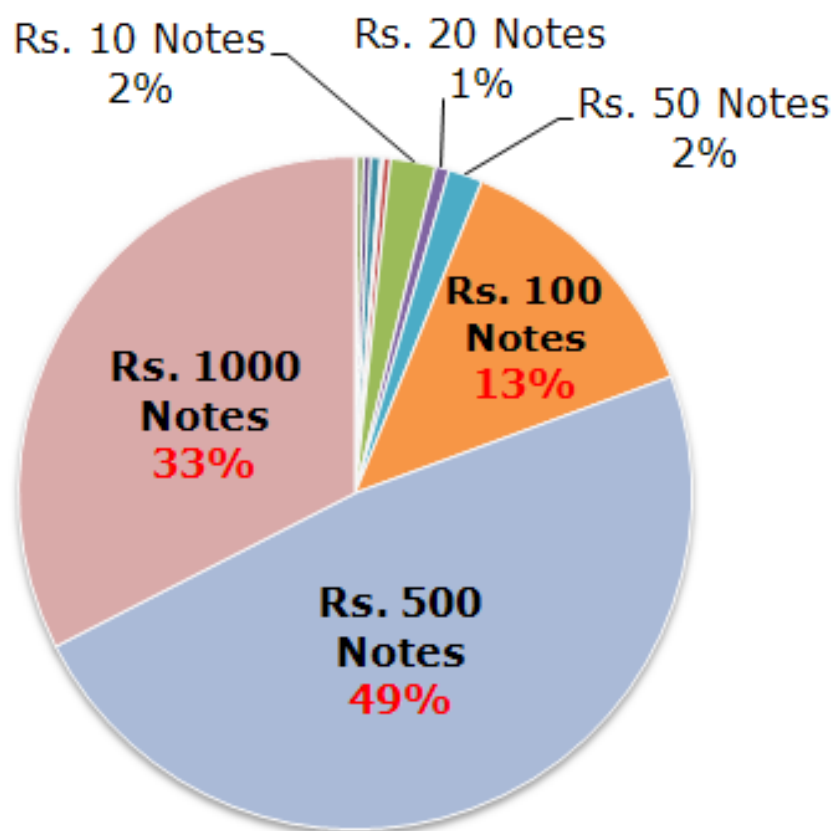


-  Small Coins
-  Re. 1 Notes
-  Re. 1 Coins
-  Rs. 2 Coins
-  Rs. 5 Coins
-  Rs. 10 Coins
-  Rs. 2 Notes
-  Rs. 5 Notes
-  Rs. 10 Notes
-  Rs. 20 Notes
-  Rs. 50 Notes
-  **Rs. 100 Notes**
-  **Rs. 500 Notes**
-  **Rs. 1000 Notes**

Highest Three Denominations account for 95 % of the Total Currency Money while 37 % of our Population is below Poverty Line with Poverty Line = Rs. 20/-

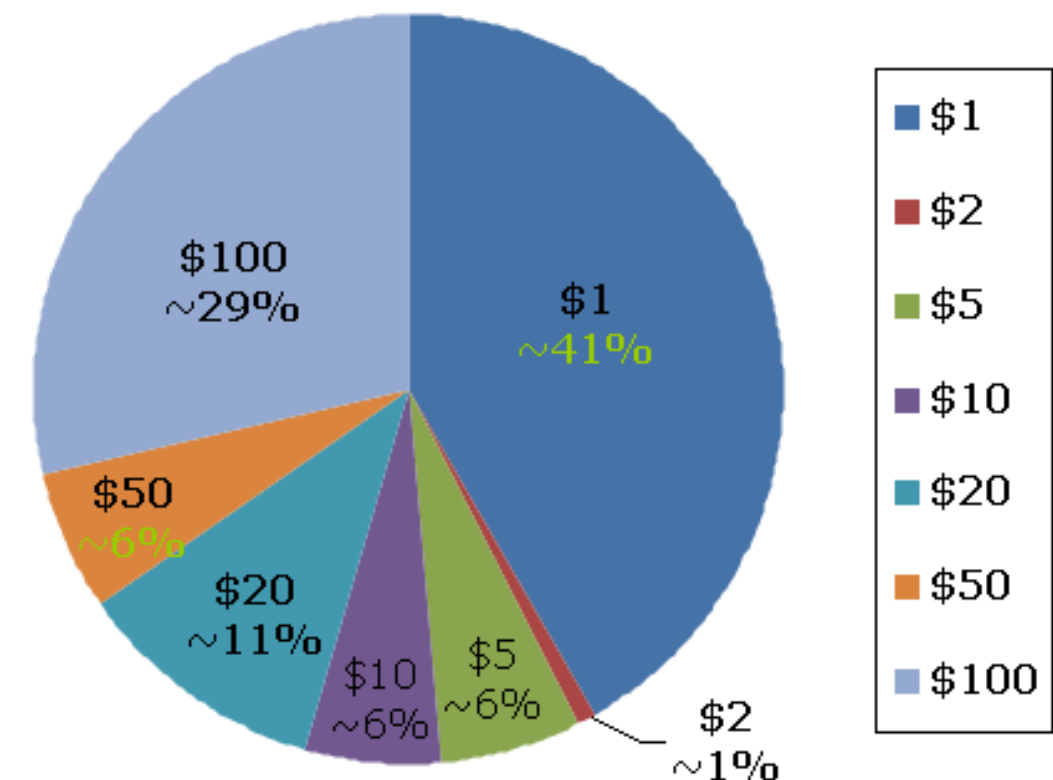
Comparison of Currency Denomination Distribution: **Indian Rupee** & **U. S. Dollar**

Indian Rupee: 2011-2012



- Small Coins
- Re. 1 Notes
- Re. 1 Coins
- Rs. 2 Coins
- Rs. 5 Coins
- Rs. 10 Coins
- Rs. 2 Notes
- Rs. 5 Notes
- Rs. 10 Notes
- Rs. 20 Notes
- Rs. 50 Notes
- Rs. 100 Notes
- Rs. 500 Notes
- Rs. 1000 Notes

U. S. Dollar: 2009



- \$1
- \$2
- \$5
- \$10
- \$20
- \$50
- \$100

Note: Absence of Denominations Larger Than \$ 100 in U. S. and the fact that considerable part of the U. S. Currency in \$ 100 and \$ 50 Bills is in use outside U. S. it being an International Currency.

Credit Expansion through Banking System

Banks	Primary Deposits	Cash Reserves	Loans / Derivate Deposits
A	2000 ¹	200	1800 ²
B	1800	180	1620
C	1620	162	1458
D	1458	145	1313
E	1313	131	1182
Eventually	20,000	2000	18,000 ³

1 - Original Primary Deposit

2 - Original Excess Reserves

3 - Total Capital Formation through Credit Expansion with Original Primary Deposit of Rs. 2000



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Analysis of Commodity Prices

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Product	MFG Cost	Taxes	Sales Price	Chinese Cost
Cement Bag	90	~ 160	~ 250	72
Motor bike	21,000	21,000	42,000	25,000
Petrol	35 / liter	38 / liter	73 / liter	-
Diesel	25 / liter	20 / liter	45 / liter	-

All figures in rupees

Sample Calculations

Narrow Money (Transaction Money) (M1) = Currency Money + Demand Deposits

For year **2010-2011**

Currency Money	=	9,50,000
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Combined Revenue for Centre (**0.7%**) and States (**0.6%**) = **Y1 * 1.3/100**
 = **12,17,64,000 * 0.013**
 = **~ 15,83,000**

Revenue of State Governments (0.6 %) = ~7,31,000
Revenue of Local Governments (0.35 %) = ~4,27,000
Revenue for Banks (0.35 %) = ~4,27,000



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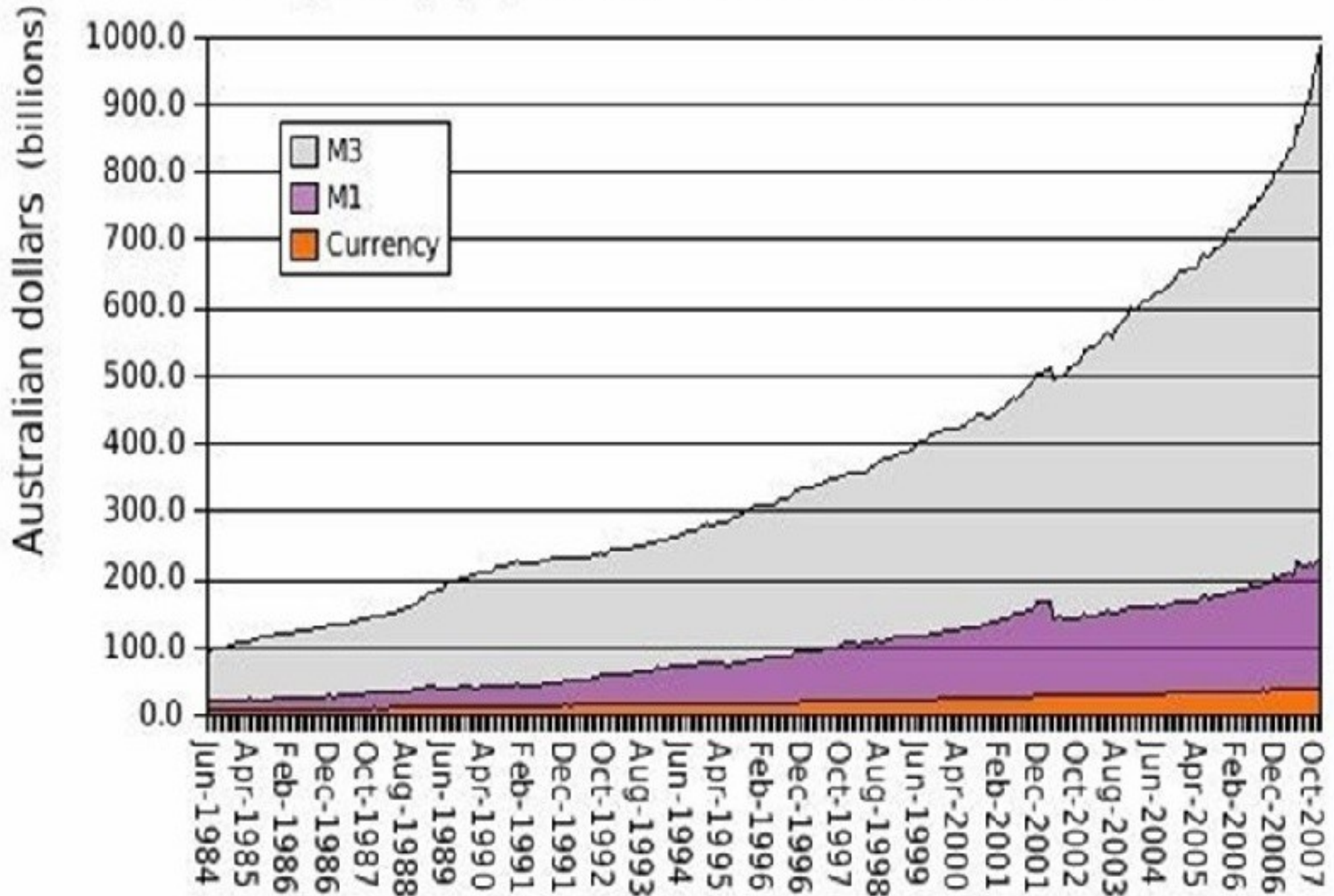
A design towards **Principled, Prosperous & Peaceful** living



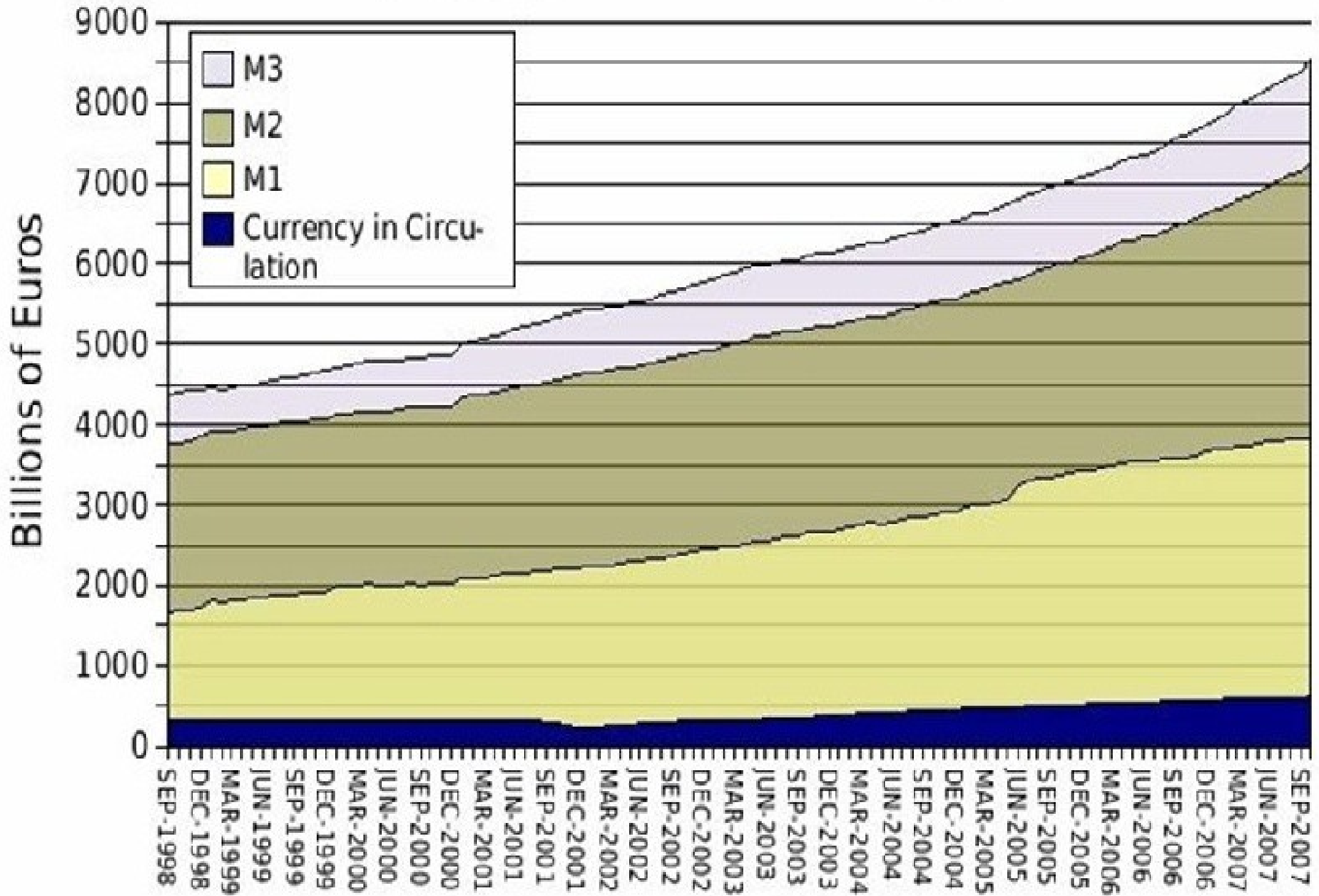
Home

Country	Unit	Transaction Money			Bank Money ÷ Currency Money (B ÷ A)
		Currency Money (A)	Bank Money OR Demand Deposits (Withdrawable by cheque) (B)	M1 (A+B)	
Australia	Billion Australian \$	50	222	272	4.44
China	Trillion Yuan	5	24	29	4.80
Japan	Trillion Yen	75	443	518	5.91
South Korea	Trillion Won	38	98	136	2.58
New Zealand	Billion New Zealand \$	3.74	27.84	31.58	7.44
Singapore	Billion Singapore \$	24	105	129	4.37
EURO AREA	Billion Euros	847	3,942	4,789	4.65
UK	Billion £	54	1,055	1,109	19.54
USA	Billion US \$	1,000	1,170	2,170	1.17
India	Billion Indian Rupees	10,700	7,050	17,750	0.66

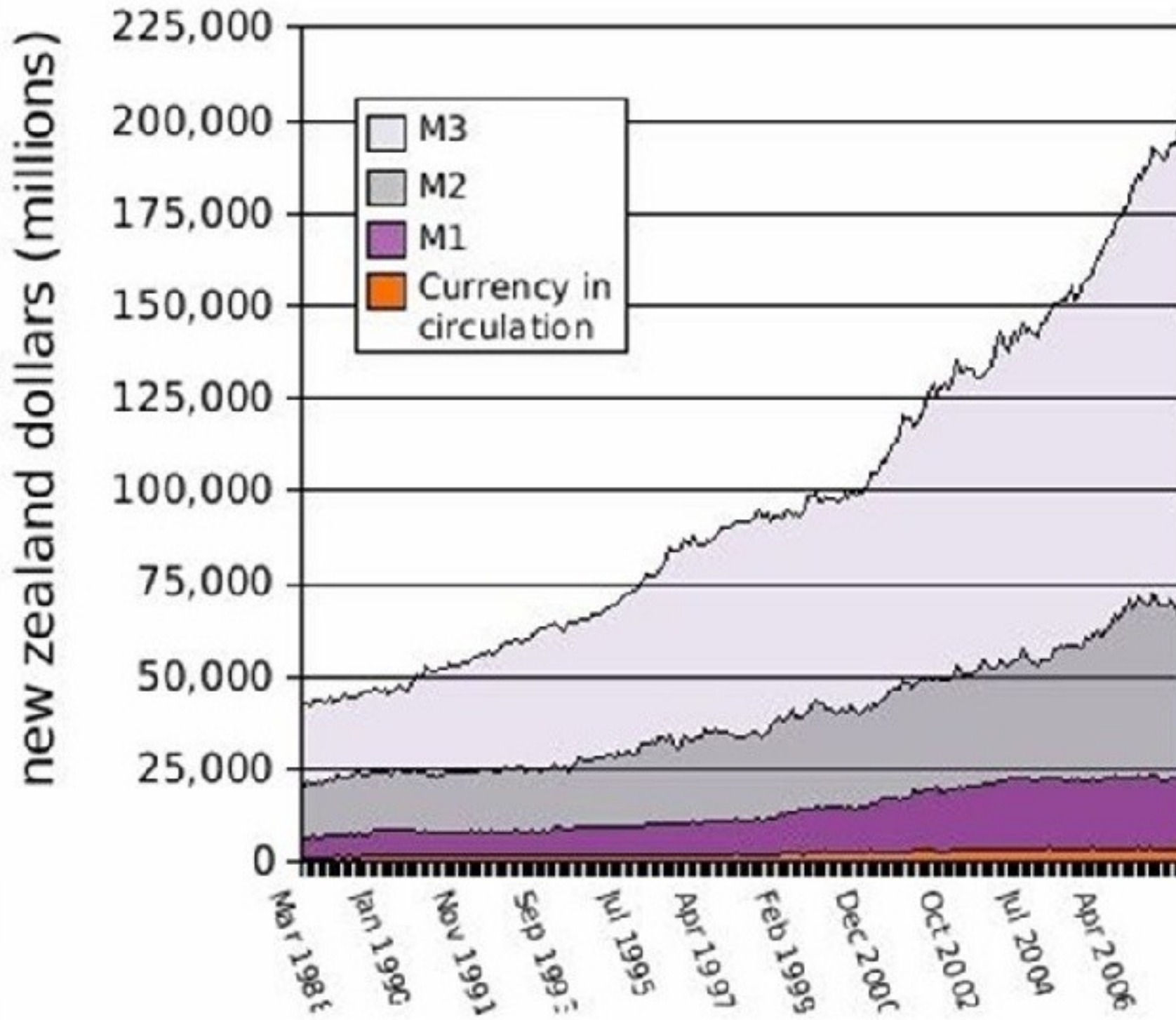
Money Supply of Australia 1984-2007

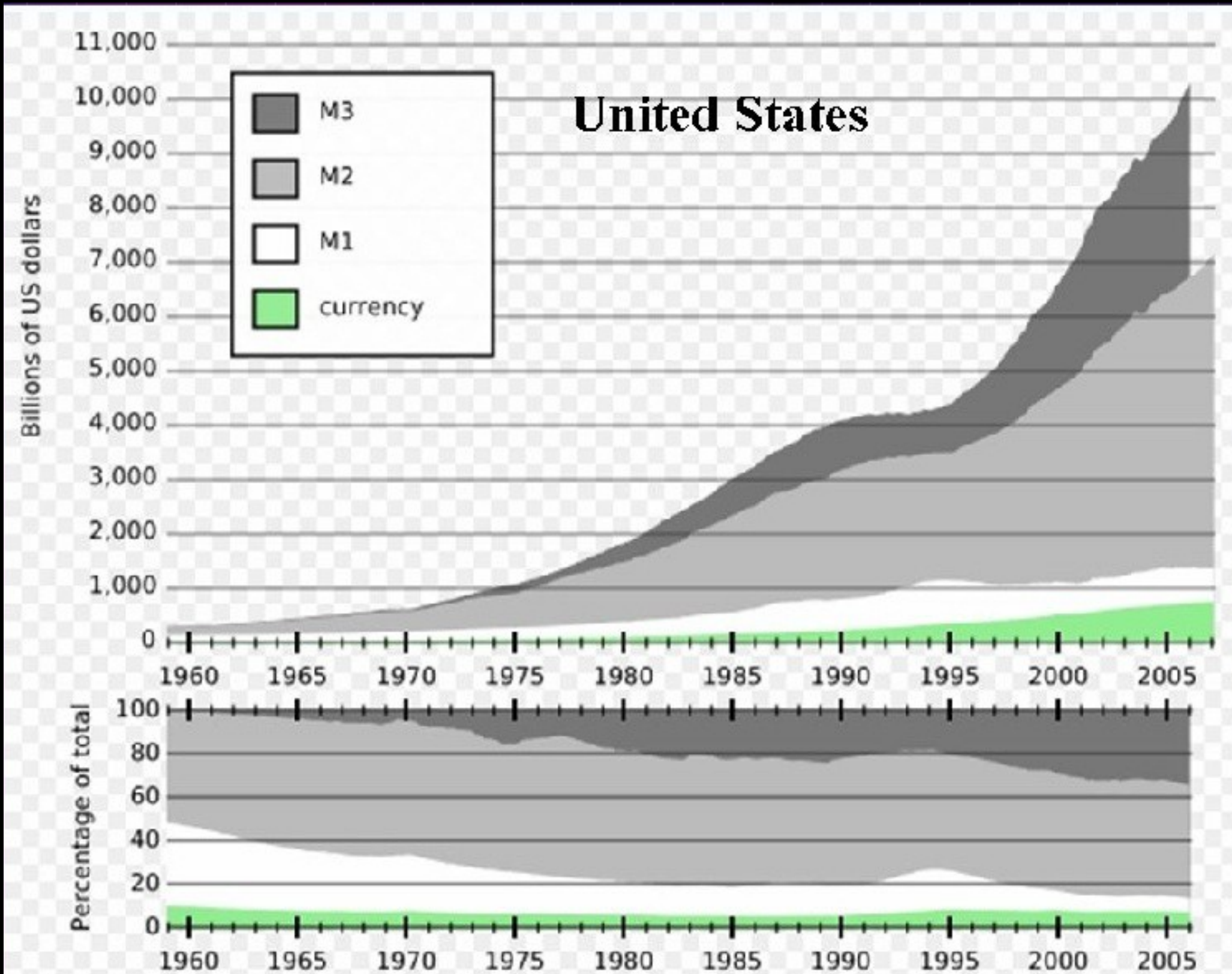


Euro Money Supply Sept1998-Oct2007 (seasonally adjusted)

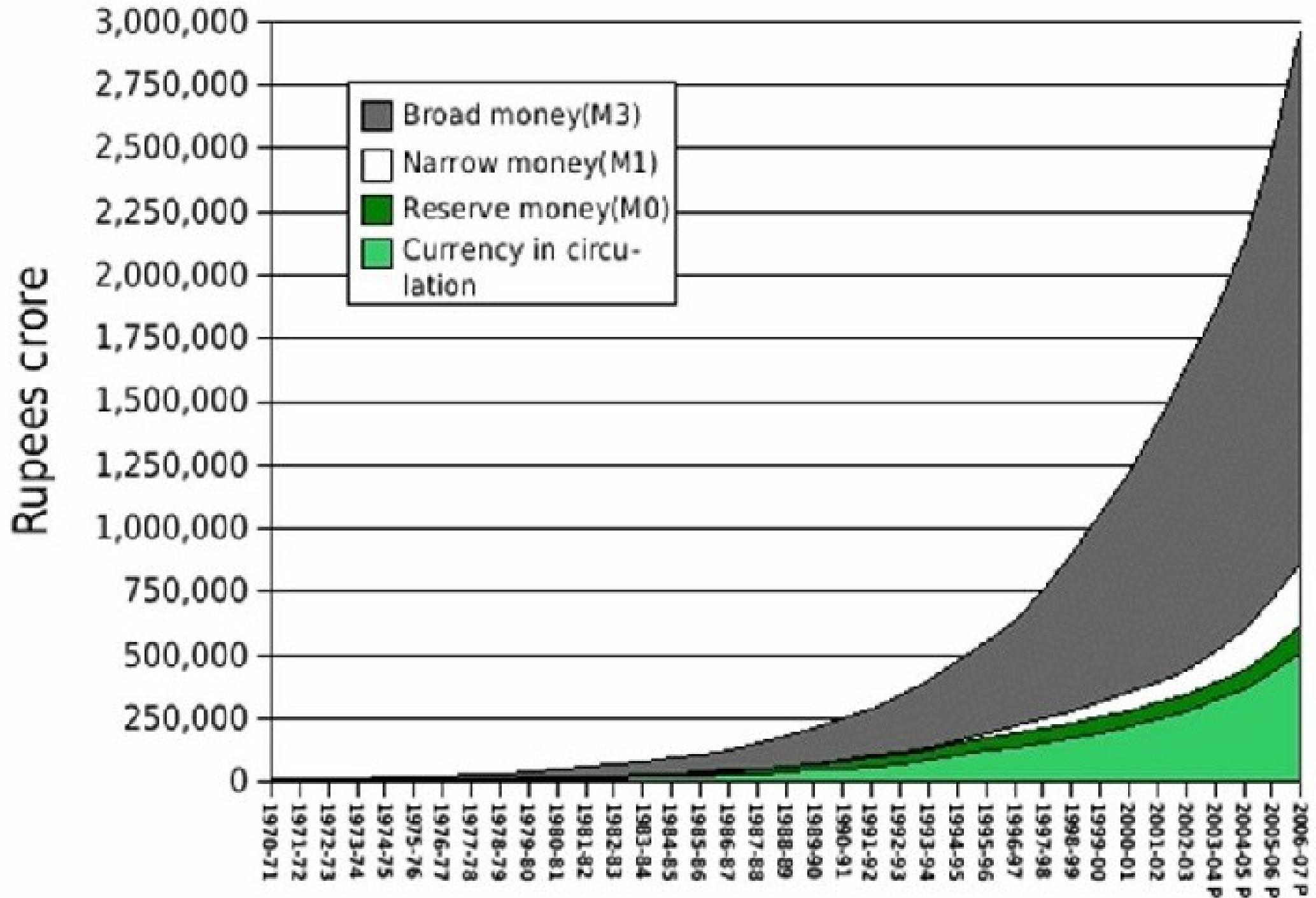


New Zealand money supply 1988-2008





Components of the money supply of India 1970-2007



Dependency on FDI

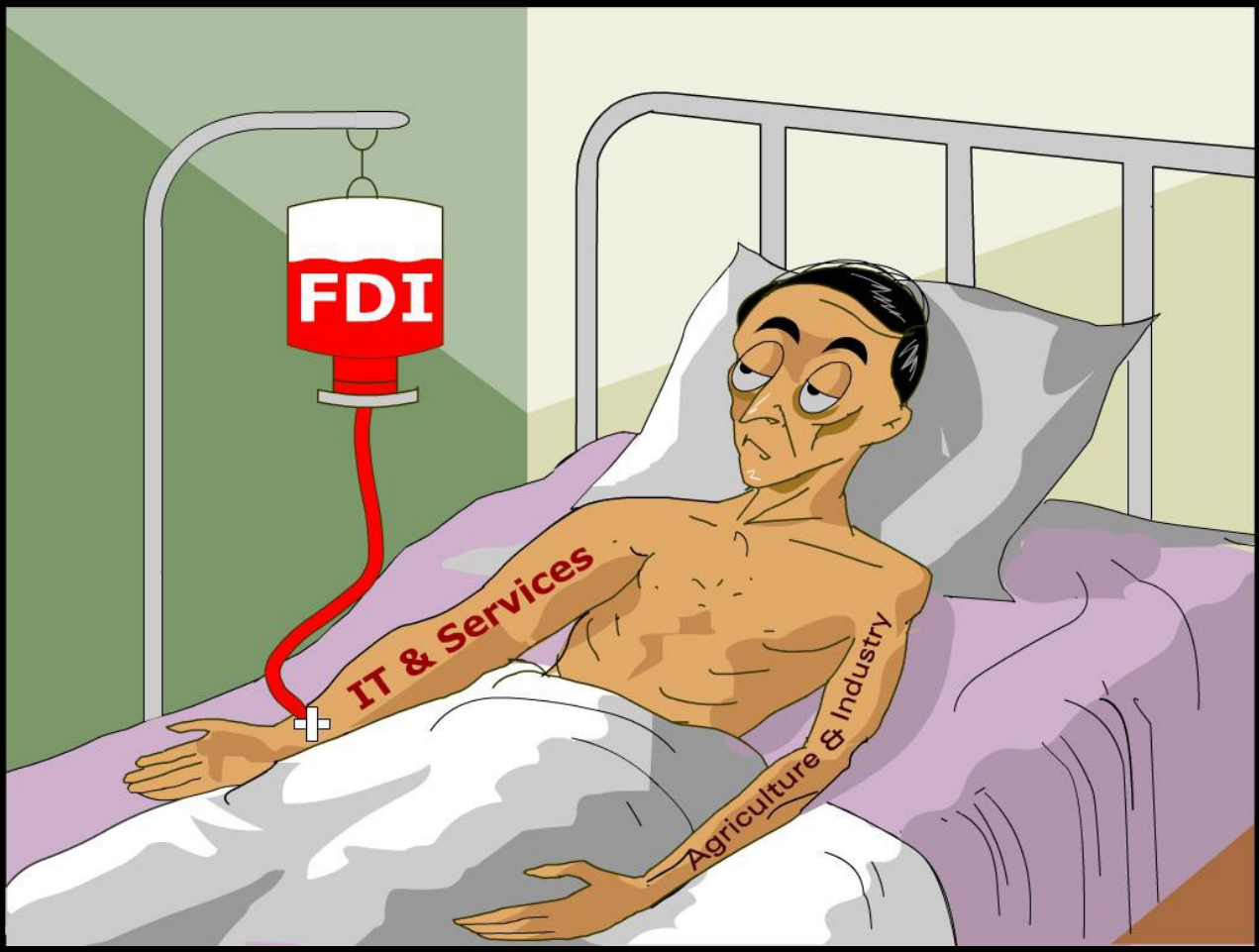


**National Economic
Stability**

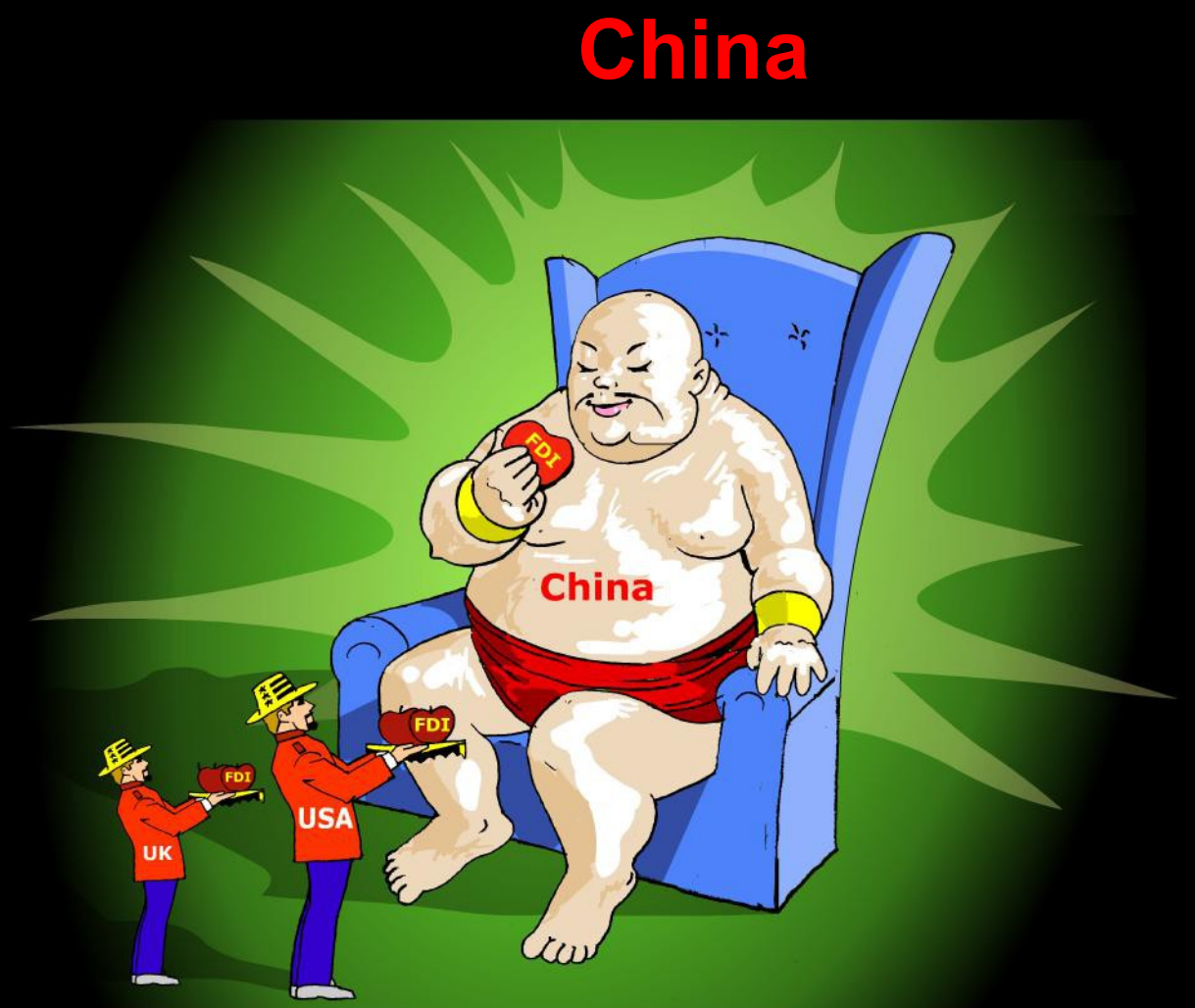


Current Reality

Dependency on FDI



India



China

Revenue of Center and States taken together

[Back](#)

2010-2011 Budgetary Estimates	Probable Tax Collection as per ArthaKranti Proposal [@ 0.7 % Share of the Center + 0.6 % Share of the States]		
Tax Revenue	15,83,000	23,75,000	31,66,000
11,61,241	20	30	40
	% of Total Narrow Money in Daily Bank Transactions		
	Currency Money	Demand Deposits	Narrow Money
	~9,50,000	~7,18,000	~16,68,000
	Considering a Total Narrow Money of Rs. 16,68,000 Crores - with a moderate assumption of 20 to 40 % of this amount to be active in daily bank transactions.		

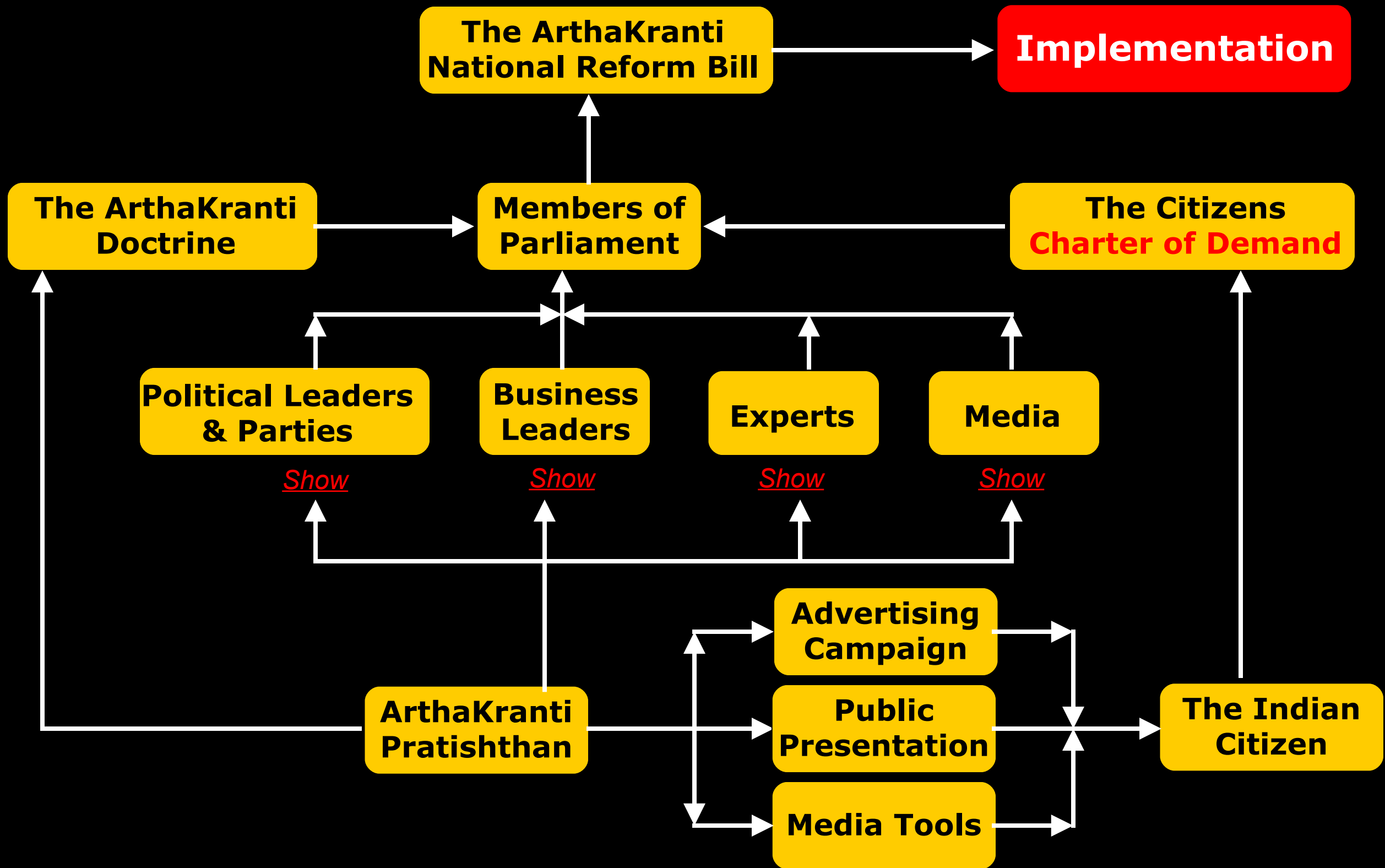


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Empowering Democracy

- **Implementation of ArthaKranti proposal. Its Effects are**
 - Enough revenues with government to make legal provision of funds for political system
 - High valued cash transactions difficult
 - Increase the use of the banking system
 - Effective taxation system leading to eradication of black money.
- **Provision for funding of the political system**
 - Funding of the political parties based on a per person amount for the entire population for a five year period. Say Rs. 100/person
 - Total population is to be considered while making this provision
 - The actual fund availability will be in proportion to the actual voting percentage
 - This funding will be available only to Registered political parties securing more than a certain minimum percentage of votes cast

Sample Calculation for funding political parties

- **Giving healthy monthly allowances to the elected representatives**

The proposal for allowance of elected representatives



Empowering Democracy Calculations

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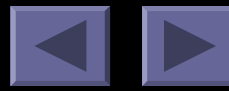
- **At the Central Level:**
 - Total provision for the entire population for the period of 5 years - $121 \text{ Cr.} * 100 \text{ (per Person Amount)} = \text{Rs. } 12,100 \text{ Cr.}$
 - Provision per year – Rs. 2,420 Cr.
- **The total Amount available in proportion to a total valid votes percentage - Say 60%**
 - Amount available for 5 year period = $12,100 * 60/100 = 7,260 \text{ Cr.}$
- **At the State Level:**
 - State population say 10 Crores
 - Funds provision for 5 year period = $10 \text{ Cr.} * \text{Rs. } 100 = \text{Rs. } 1,000 \text{ Cr.}$
- **At the Local level:**
 - Population of the urban areas is say, 10 Lakh
 - Funds provision for 5 year period = $10 \text{ L} * \text{Rs. } 100 = \text{Rs. } 10 \text{ Cr.}$
- **Actual funding will depend upon the total percentage of votes cast.**



हमारा लक्ष्य - भारत का आर्थिक पुनरुत्थान

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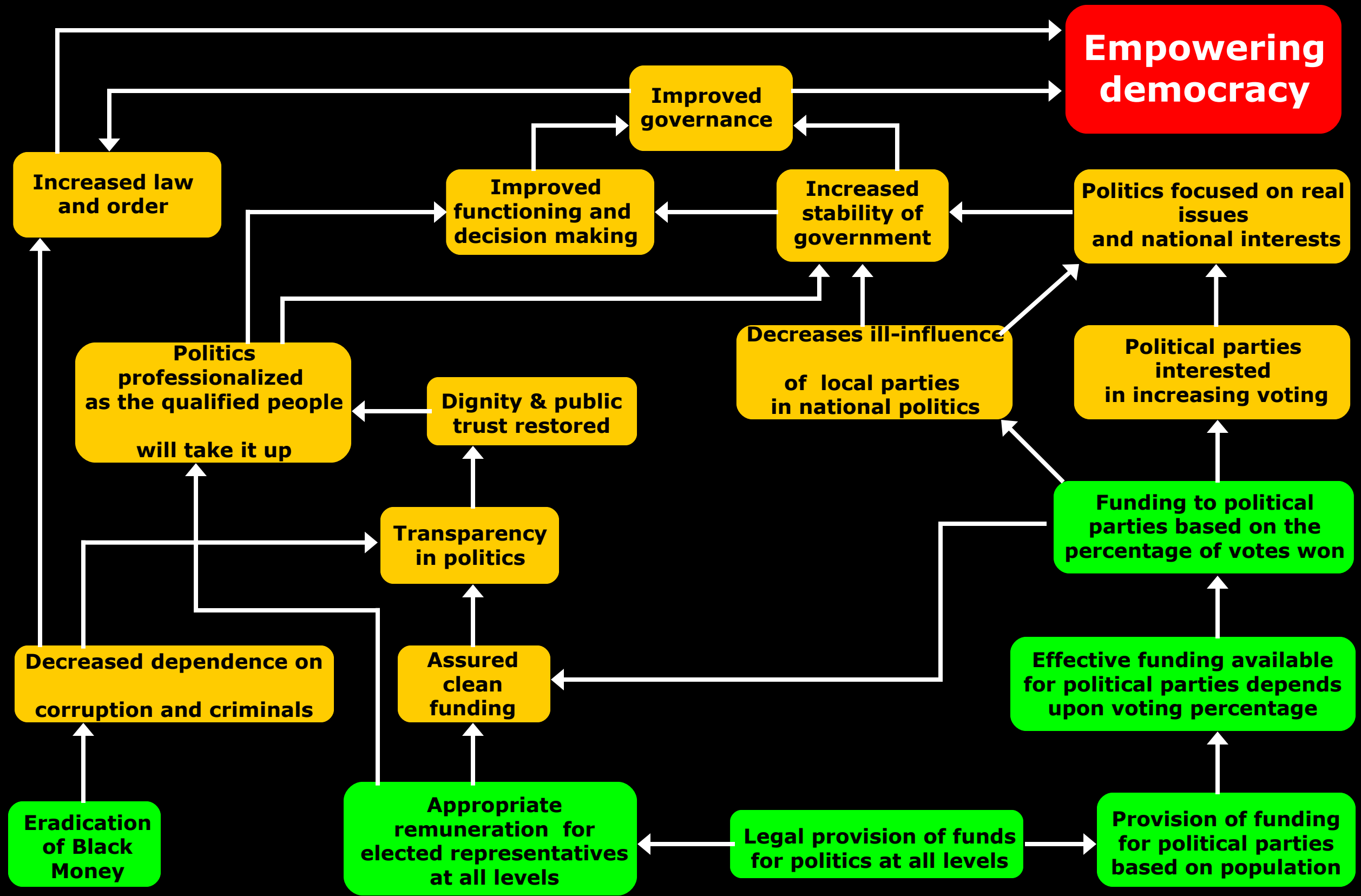
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Empowering Democracy

Allowance for Elected Representatives

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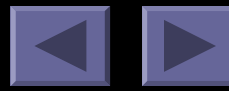
- For MPs at Rs 10 Lakh/month
- For MLAs at Rs 5 Lakh/month
- For Corporators at Rs. 1,00,000/month
- For Village Development Officer at Rs. 10,000/month
- The spending with these provisions will be
 - At the central level -- $785 * 10L * 12 = \text{Rs. } 942 \text{ Cr.}$ against a projected revenue of $\sim \text{Rs. } 7,46,651 \text{ Cr.} = \sim 0.13 \%$ of the revenue
 - At the state level (*e.g. Maharashtra*) –
 $366 * 5L * 12 = \sim \text{Rs. } 220 \text{ Cr.}$ against a projected revenue of $\sim \text{Rs. } 50,000 \text{ Cr.} = 0.44 \%$ of the revenue
 - At the local corporation level (*e.g. Aurangabad*) –
 $100 * 1,00,000 * 12 = \text{Rs. } 12 \text{ Cr.}$ against a revenue of $\sim \text{Rs. } 250 \text{ Cr.}$
 $= 4.8 \%$ of the revenue





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Social Security Proposal

- A Social security identification (SSID) is issued to every Indian Citizen.
- To begin with the beneficiaries of the Social Security Allowance Scheme will be all adult citizens of India beneath the poverty line.
- For every deserving adult, a fixed amount **(linked to DA)**, Social Security Allowance, is credited per month into a unique bank account linked to the SSID - Say Rs. 2,000/ pm -- Based on Food (Rs. 900/-) + Shelter (Rs. 500/-) + Clothing (Rs. 300/-) + Health (Rs. 300/-)
- Government will remove all non-merit subsidies thus freeing up revenue to pay the Social Security Allowance to the deserving citizens
- All Social security allowance beneficiaries can get credit of Rs. 50,000/- (upper limit) from banks
- Restrictions to ensure correct usage –
 - No rights to SSA beneficiaries on income for hereditary property
 - SSA amount can't be used as security against any other loan
- Uniform implementation throughout the country



Social Security Proposal Calculations

- In first phase, scheme will be implemented for people below poverty line.
- Number of people below poverty line (monthly income below Rs. 300/-) is 30 Cr
- Total monthly expenditure = Rs. 2,000 * 30 Cr = Rs. 60,000 Cr
- Total yearly expenditure = Rs. 60,000 Cr * 12 = Rs. 7,20,000 Cr
- Excluding current expenditure of Government over subsidies of - Rs. 1,50,000 Cr, additional yearly expenditure will be -
$$7,20,000 - 1,50,000 = \text{Rs. } 5,70,000 \text{ Cr}$$
- Considering current national income of Rs. 40,00,000 Cr, this additional expenditure would be ~15% of national income

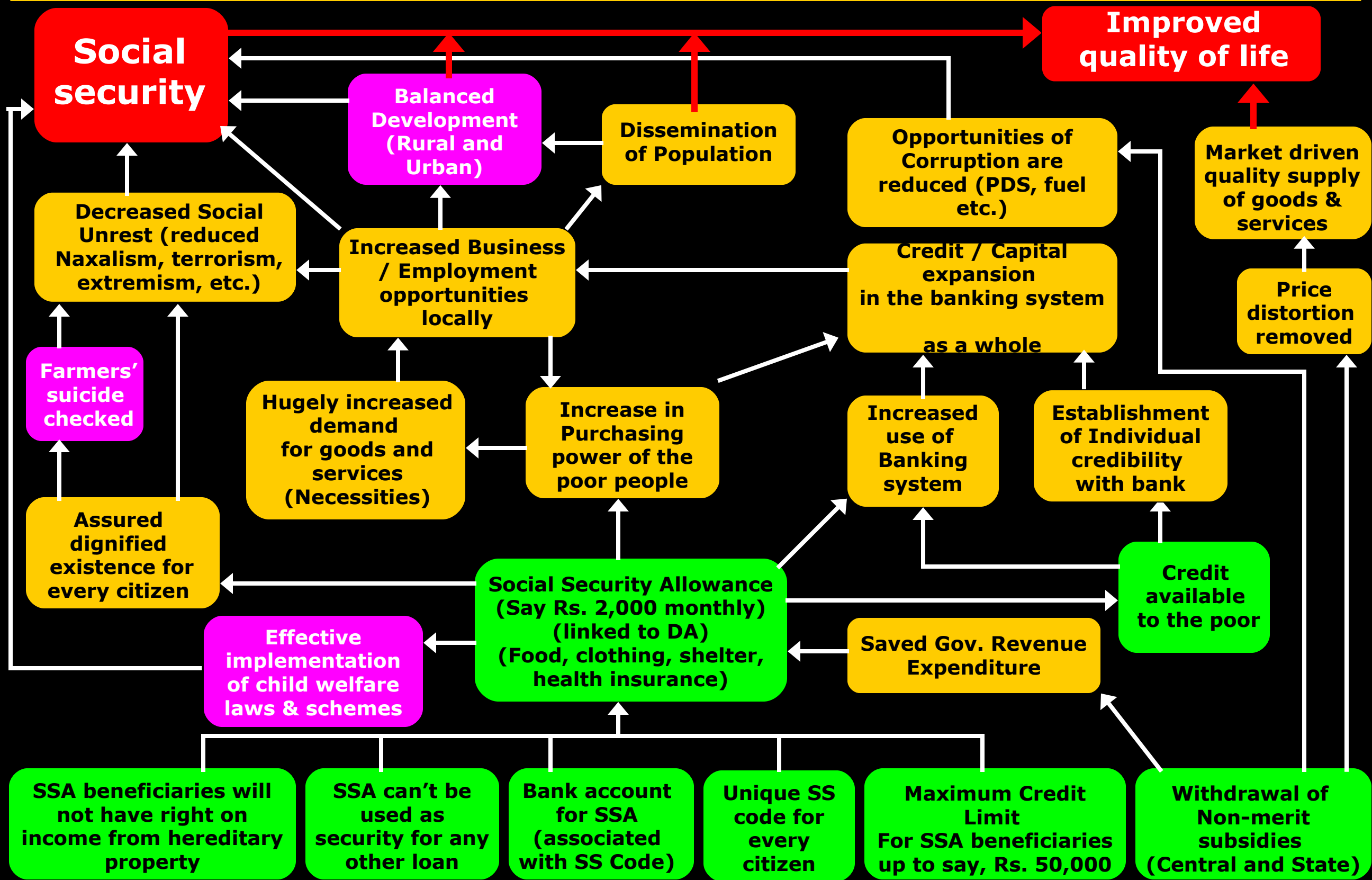


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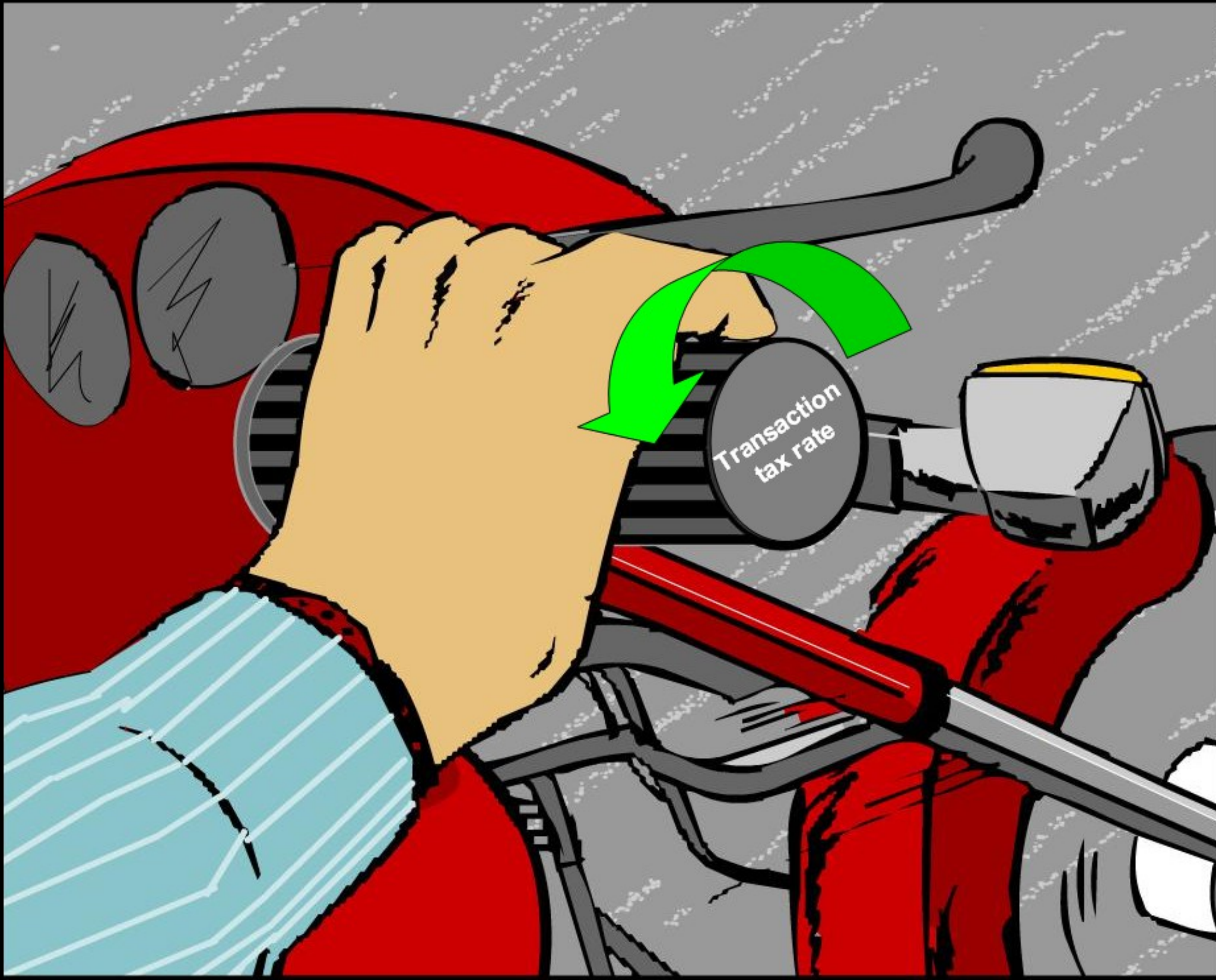
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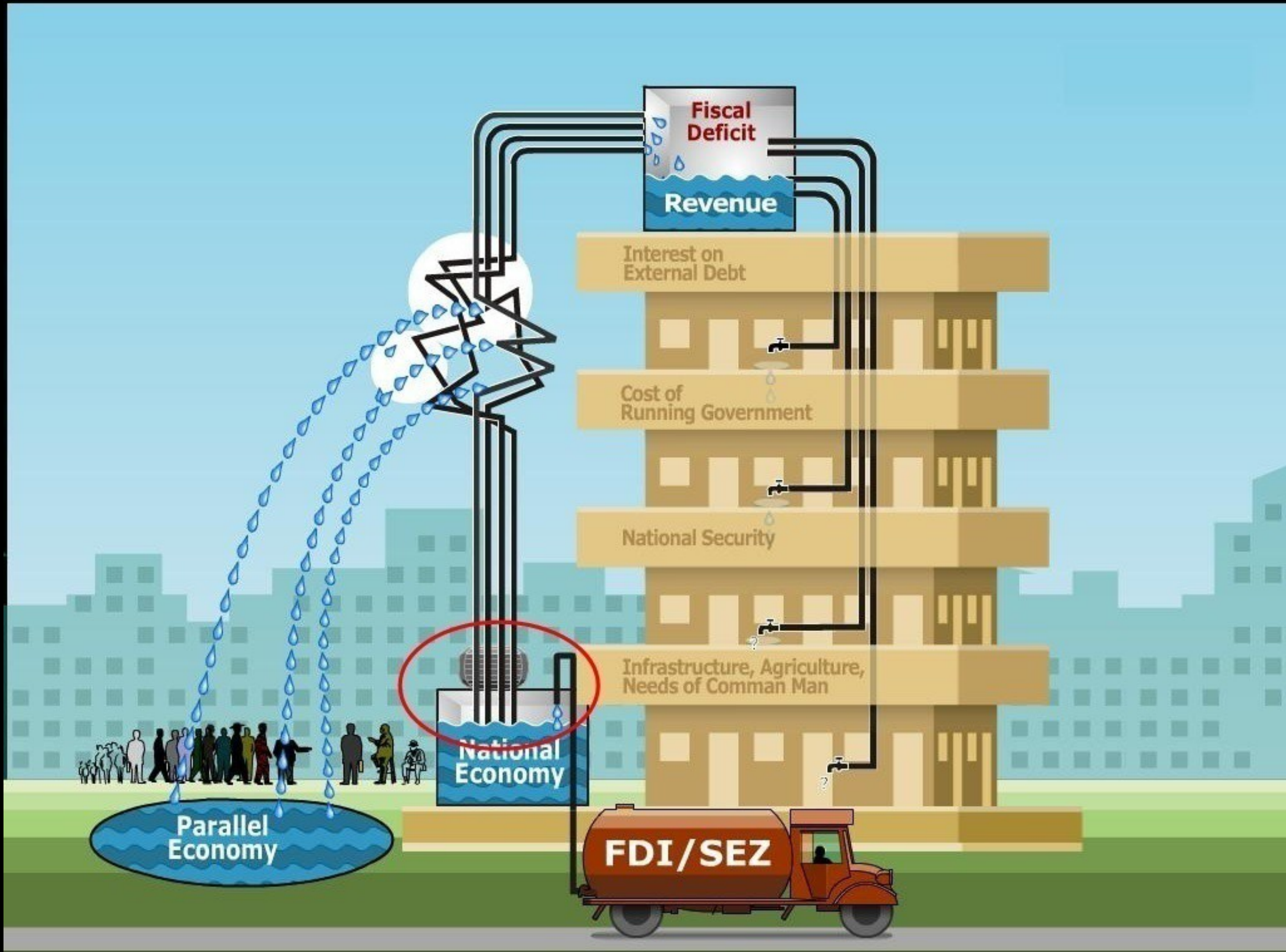


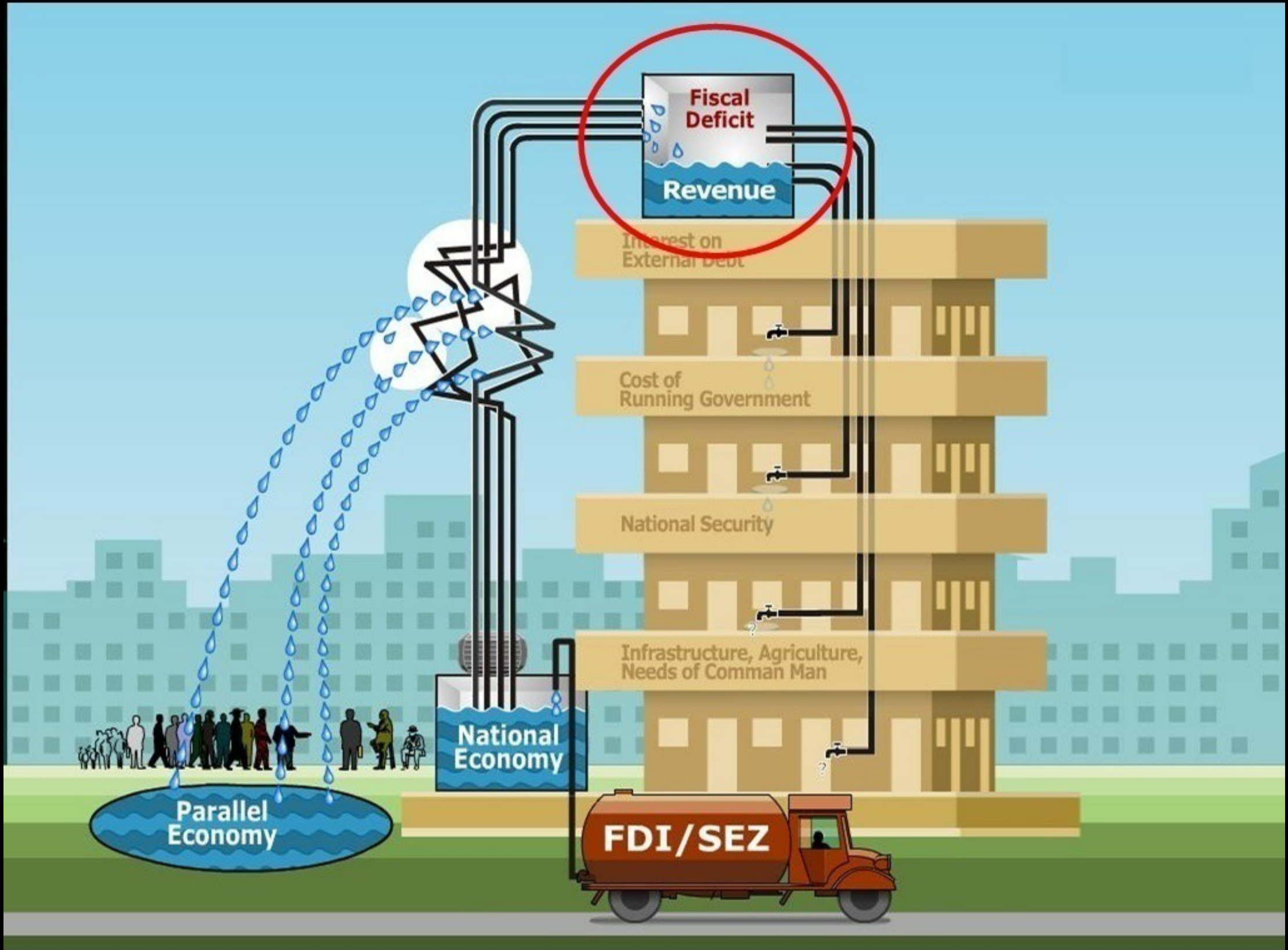
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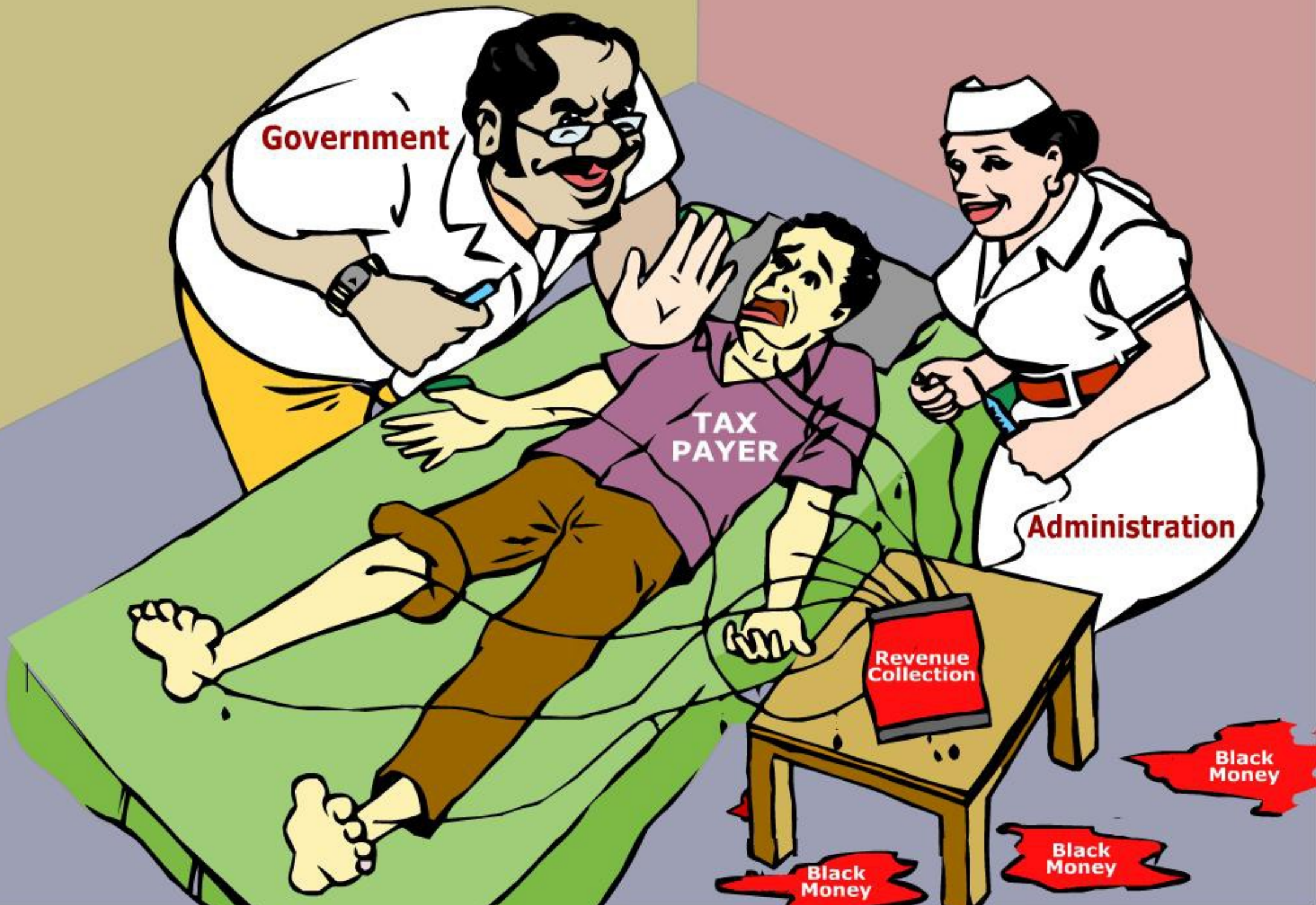
Inequitable Taxation System



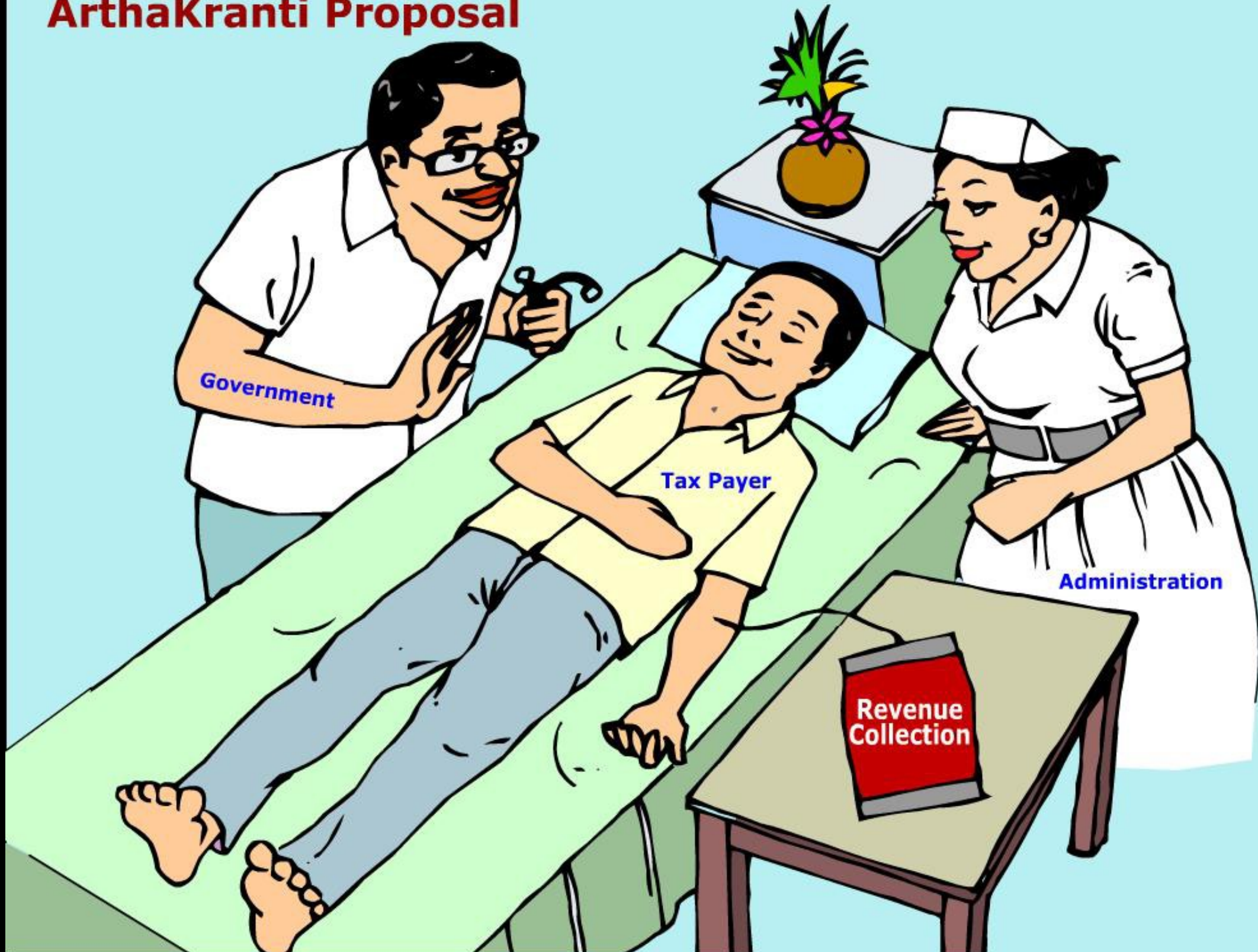




Present Taxation System



ArthaKranti Proposal



Equitable Taxation System



Government Officials

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H.E. Smt. Pratibhatai Patil,
Hon. President of India
(Personal meeting twice)



Dr. Montek Singh Ahluwalia,
Deputy Chairman, Planning
Commission (Book)



Dr. Bhalchandra Mungekar,
Member, Planning Commission
(Presentation)



Dr. Parthasarathy Shome,
Ex-Chief Economic Advisor to
the Union Finance Minister
(Presentation North Block)

- **Dr. Adarsh Kishore Saxena -**
Ex-Union Finance Secretary (Presentation in the presence of Smt. Pratibhatai Patil)
- **Mr. Johnny Joseph -**
Chief Secretary, Maharashtra (Presentation To CM, Maharashtra)
- **Mr. Agarwal -**
Finance and Planning Secretary, Maharashtra (Presentation To CM, Maharashtra)
- **Mr. Sangith Rao -**
Principal Secretary, Maharashtra (Presentation To CM, Maharashtra)

Economists & Experts

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Dr. D. R. Pendse



**Dr. Narendra
Jadhav**

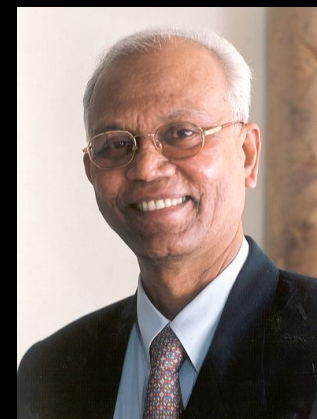


P B Sawant
Justice – Supreme Court



M N Chaini

- Chandrahas Deshpande
- Sunil Bhandare
- Jairaj Salgaonkar
- V. M. Govilkar



R A Mashelkar

Political Leaders

Congress

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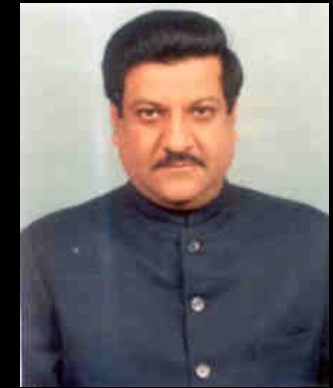
Manmohan Singh,
Hon. Prime Minister
(*Book*)



P. Chidambaram
Union Finance Minister
(*Book*)



Sushil Kumar Shinde,
Union Power Minister



Prithviraj Chavan
MOS, PMO's Office
(*Meeting*)



Pawan Kumar Bansal,
Minister of State for
Finance (*Presentation*)



Vilasrao Deshmukh,
CM, Maharashtra
(*Presentation*)

- **V George**
P.A. to Smt Sonia Gandhi (*Presentation*)

Political Leaders

BJP

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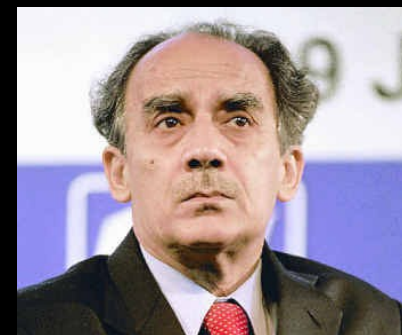
LK Advani



Bhairon Singh
Shekhawat



Yashwant Sinha



Arun Shourie



Sushma Swaraj



Balbir Punj



SS Ahluwalia



Gopinath Munde



Nitin Gadkari



Rajeev
Chandrashekar



Sompal Shastri



Vinay
Sahasrabuddhe



Sudheendra
Kulkarni

Political Leaders

Shiv Sena

[Back](#)

Mohan Rawle



Suresh Prabhu

Political leaders

MNS



Raj Thackeray



Rajan Shirodkar

- Shweta Paralkar
- Shishir Shinde

Political Leaders

NCP

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Sharad Pawar



Jayant Patil

Political leaders

CPI



D Raja

- Dr. Kango

Industrialists

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Deepak Ghaisas
I-Flex solutions



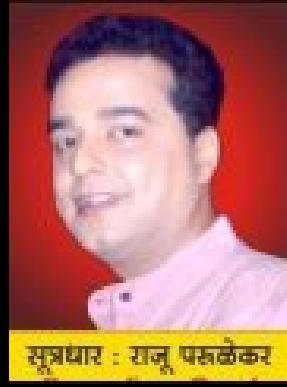
Narayan Murthy
Infosys

- Arvind Padhye – TCS Pune – Center Head

Media Experts

[Back](#)

Kumar Ketkar
Loksatta



Raju Parulekar
E TV



Prem Shankar Jha
Hindustan Times

- **Rajeev Khandekar – Star TV**
- **Yamaji Malkar - Sakal**

Creative Artists

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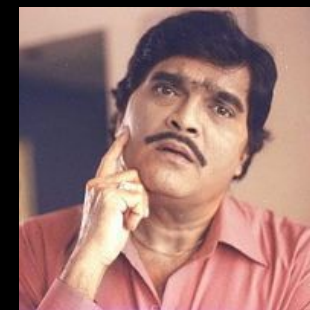
Vijay Tendulkar



Mangesh Tendulkar



Sachin Pilgaonkar



Ashok Saraf



Nivedita Saraf



Nina Kulkarni



Mohan Joshi



Kiran Shantaram



Atul Parchure



Prashant Damle



Swapnil Bandodkar



Educational Institutions

[Back](#)

- **Goa Commerce College**
- **Osmania university**

NGOs

- **Loksatta**
- **Maitri**
- **i-Watch**
- **Prayas (Reli group)**

Terrorism in India

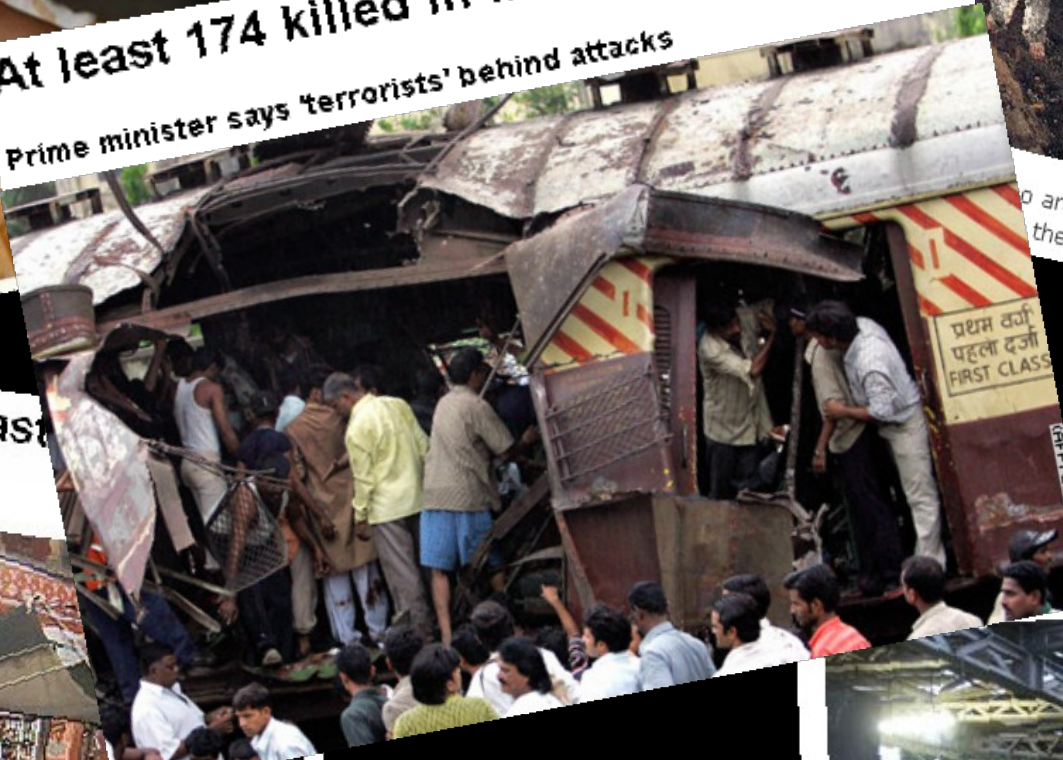
Many killed in bomb blasts across Delhi

Randeep Ramesh and Gethin Chamberlain in Delhi
The Observer, Sunday 14 September 2008



At least 174 killed in Indian train blasts

Prime minister says 'terrorists' behind attacks



Serial bomb blast at Ahmedabad

July 26th, 2008 - 8:42 pm ICT by admin - Send to a friend:



Reports have been coming in that there have been 4 blasts at Ahmedabad.

The blasts were reported at Raipura, Sapunagar, Diamond Market and Manninagar Chowk. As of yet we don't know if the Ahmedabad blasts are low intensity like Bangalore or was it a high intensity blast.

The initial reports say that 5 people were injured, it is too early to say exactly how many are injured. We don't know who are behind the Bangalore blast or not. Gujarat in the past.

Jaipur, India Serial Bomb blast

ALL SIZES



Train Blasts 2006

Blasts in Mumbai on July 11, 2006



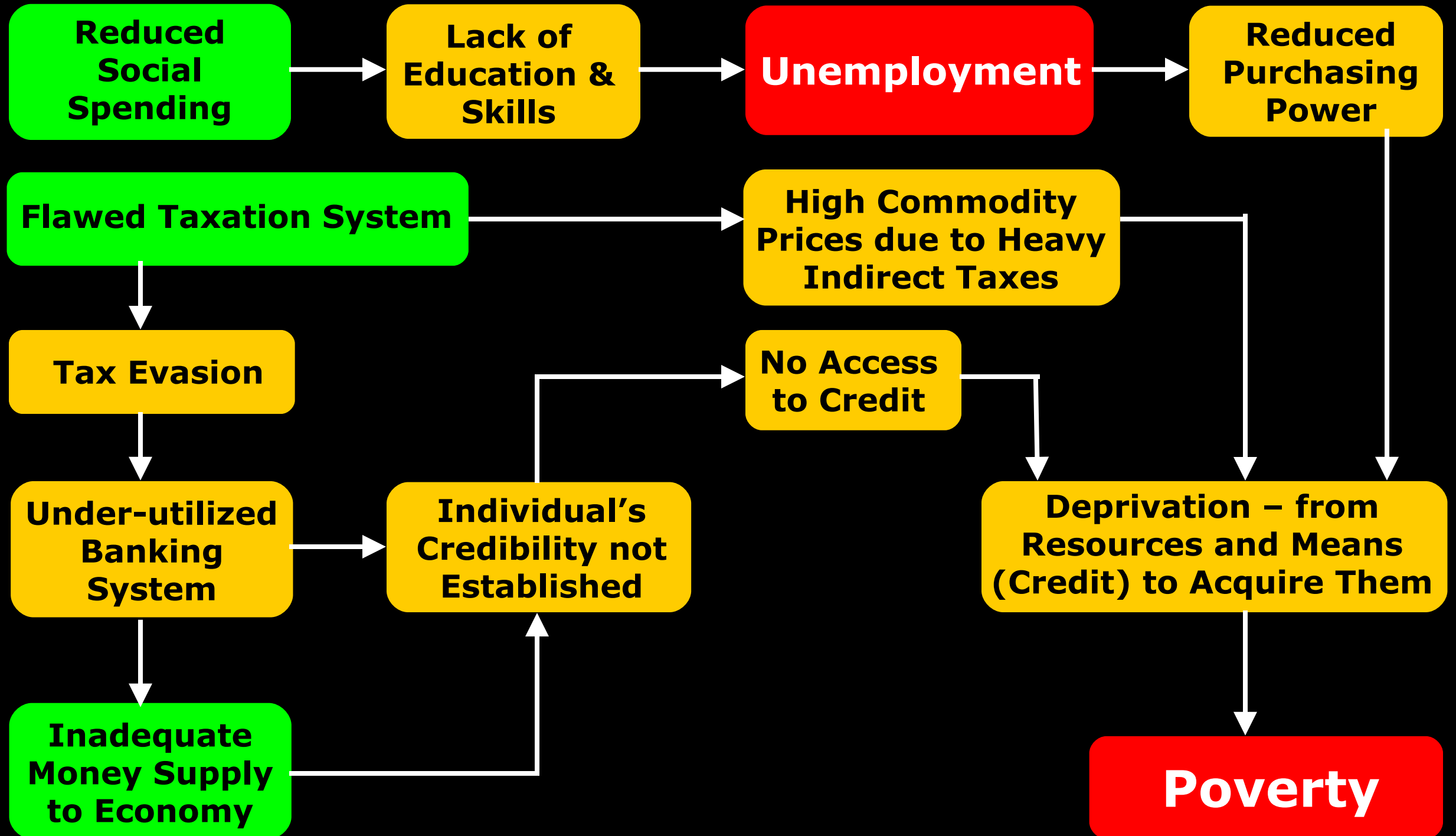




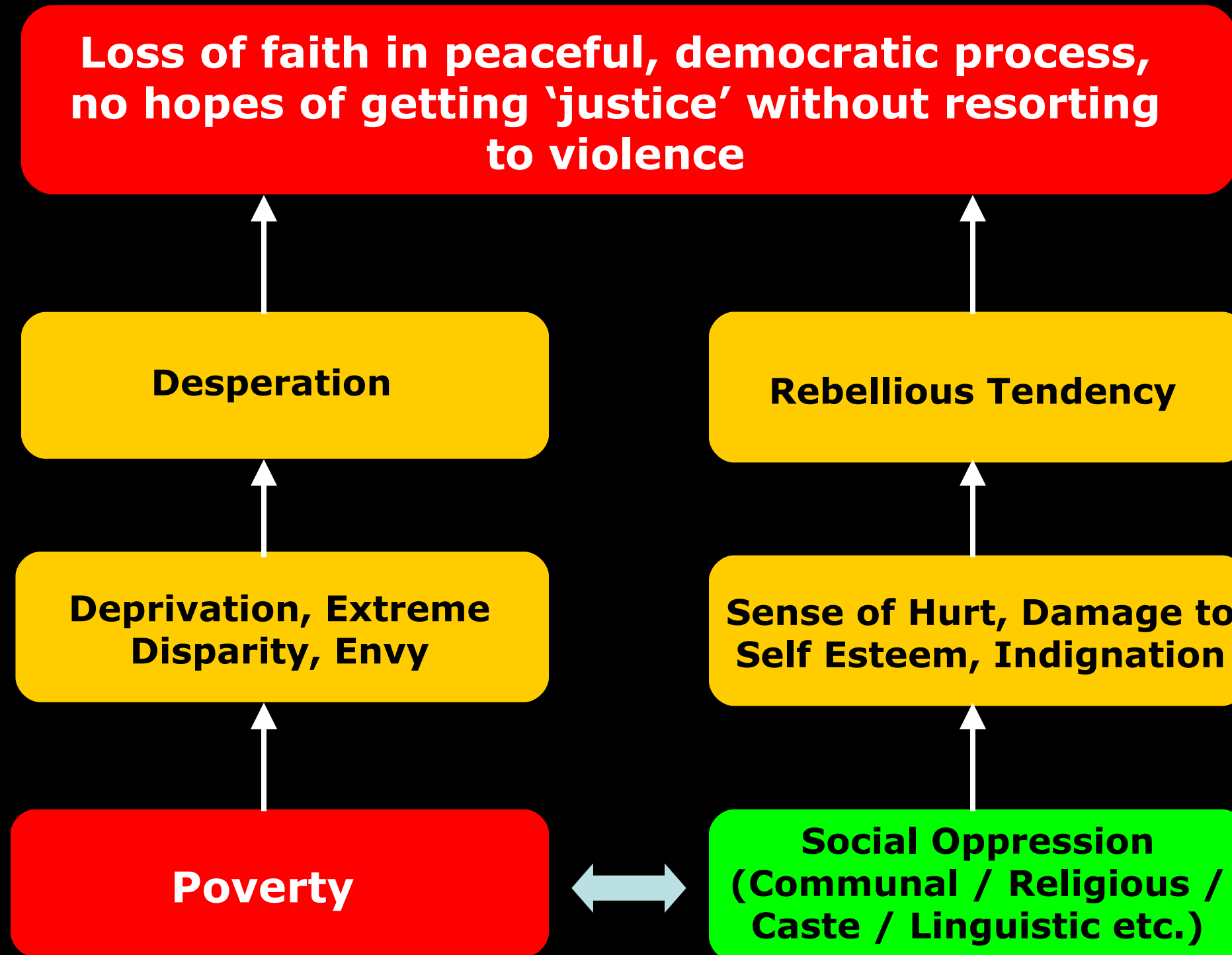
How we can tackle this problem?

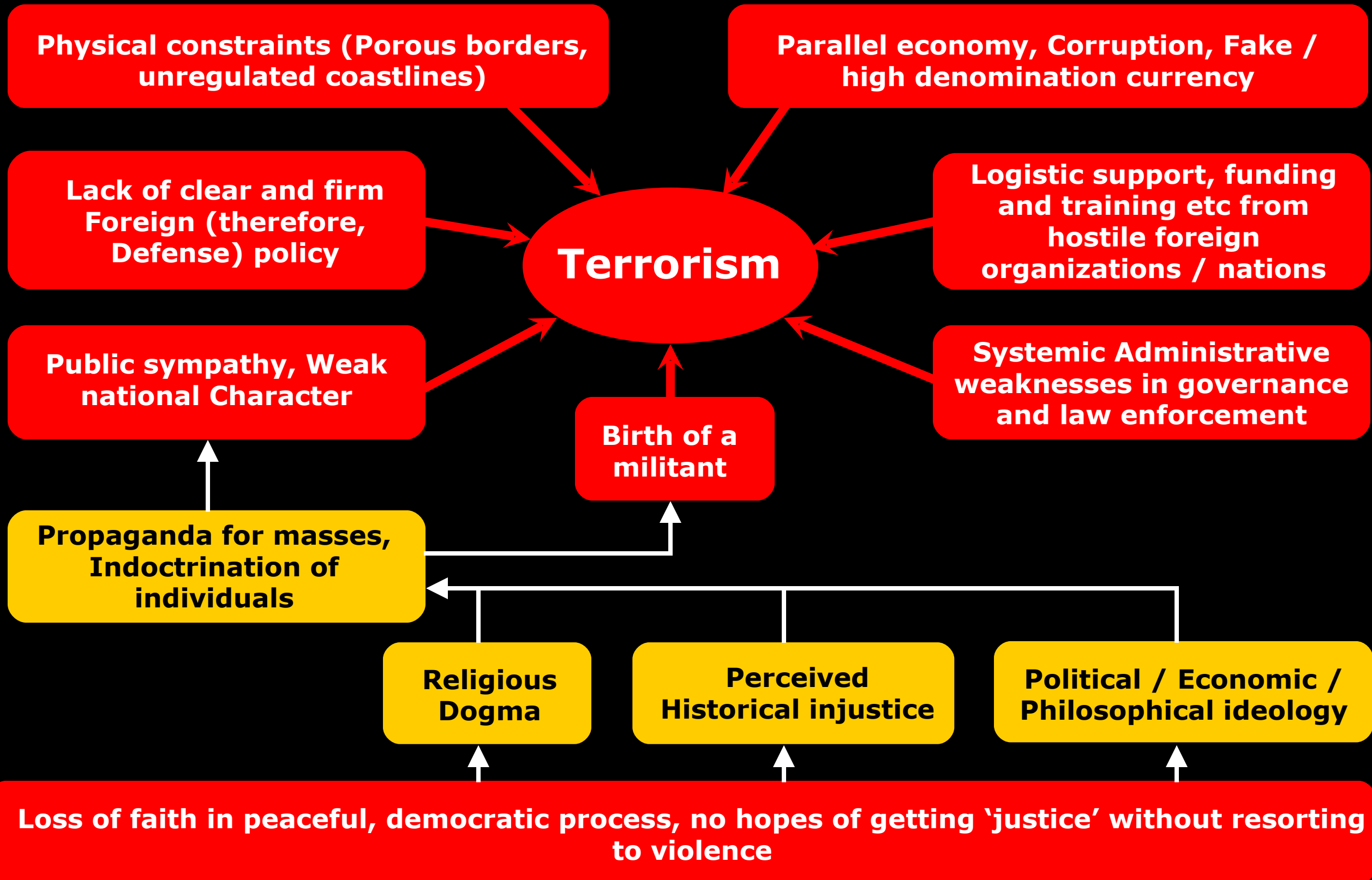


Terrorism Analysis



Terrorism Analysis







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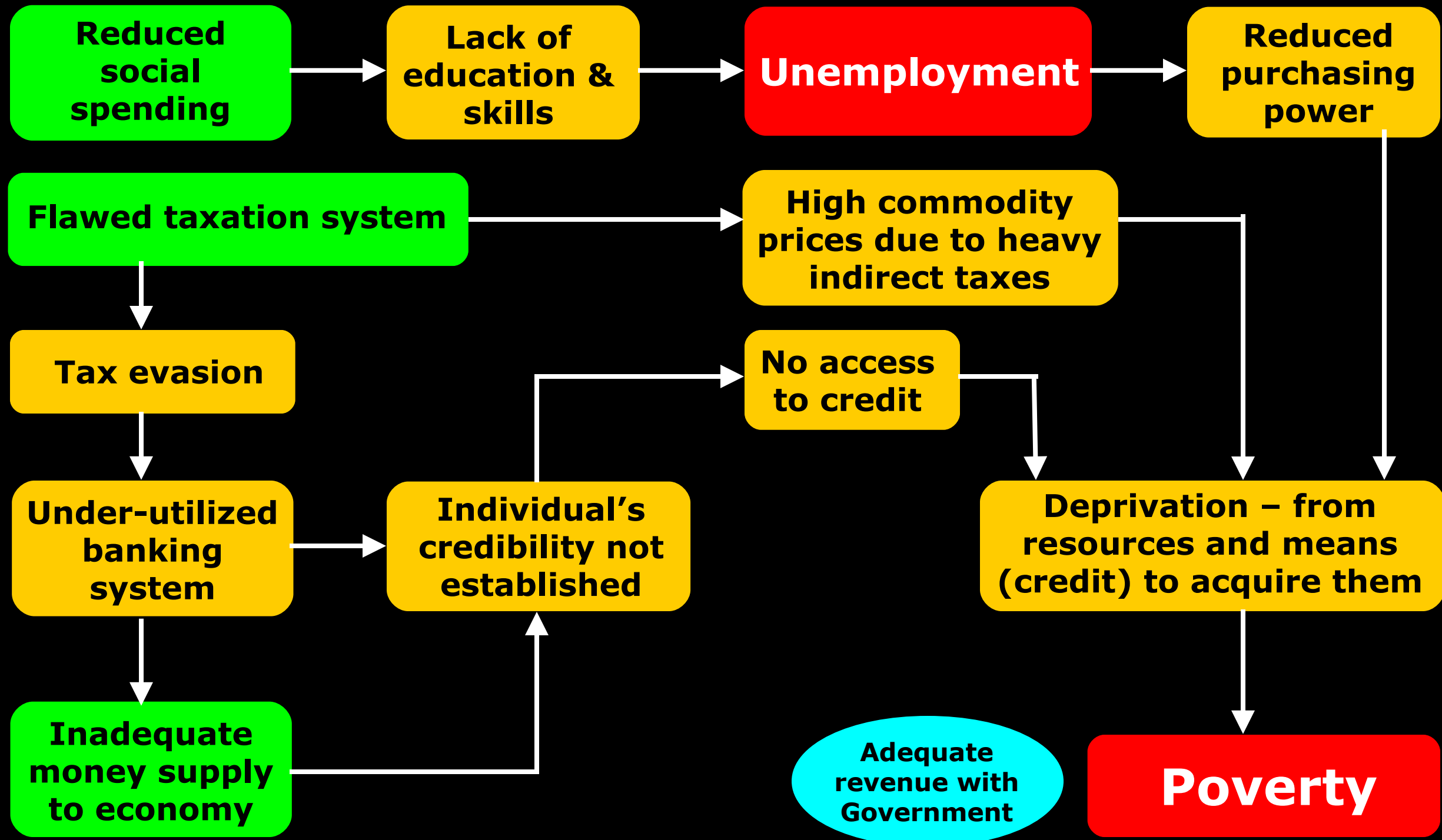


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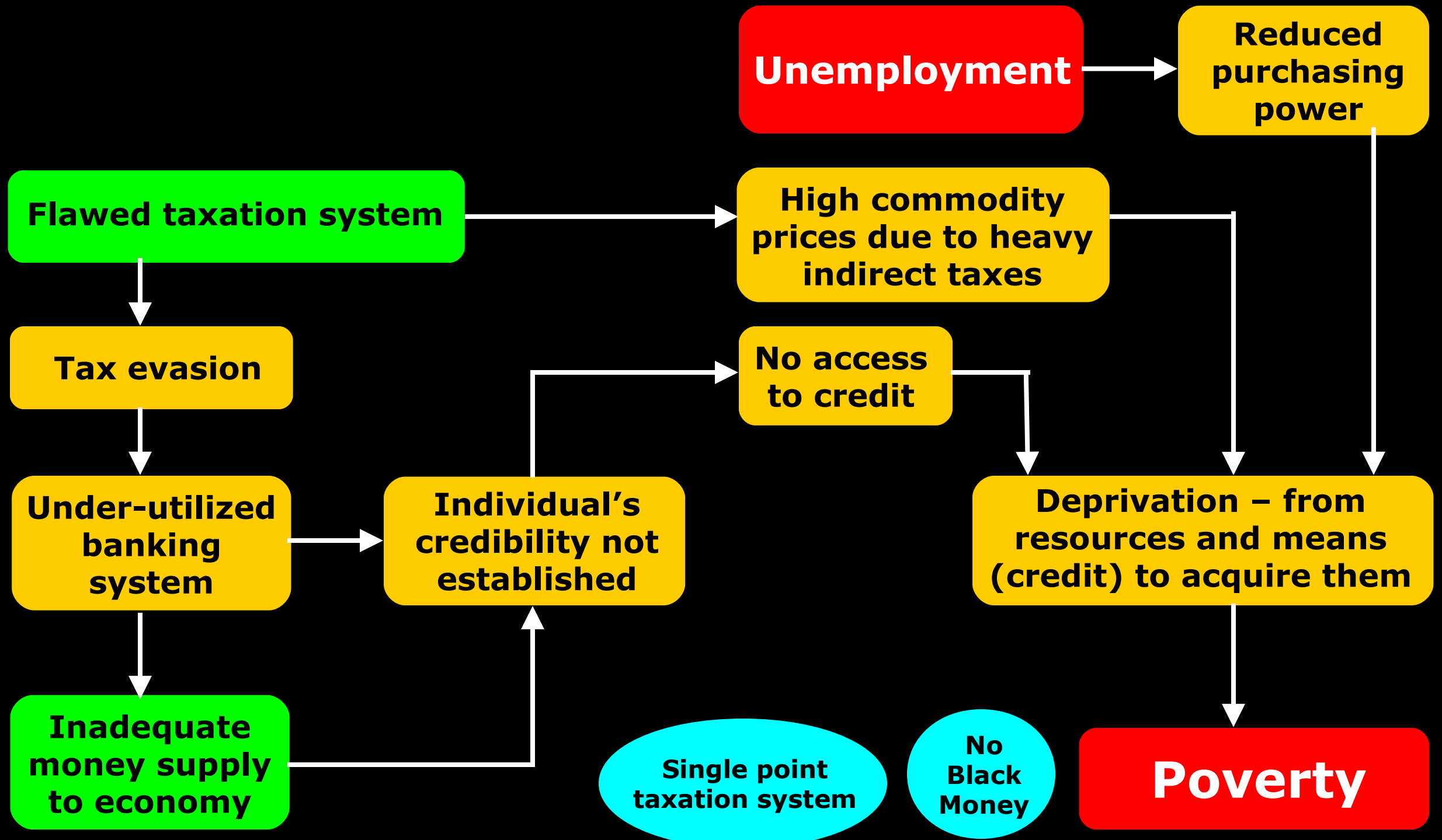
ArthaKranti Proposal

- Withdrawal of existing Taxation System Completely (except Customs/Import Duties)
- Every Transaction routed through a bank will attract a certain deduction in appropriate percentage as Bank Transaction Tax i.e. Single Point Tax Deducted at Source (say 2 %)
 - This deduction is to be effected on receiving/credit account only
 - This deducted amount will be credited to different Government levels like Central, State and Local (as say 0.7 %, 0.6 % and 0.35 % respectively)
 - Transacting Bank will also have its share in this deducted amount (say 0.35 %) as the Bank has a key role to perform
- Withdrawal of High Denomination Currency (say above Rs. 50)
- Cash Transactions will not attract any tax
- Government should make legal provisions to restrict cash transactions up to a certain limit (say Rs. 2000)

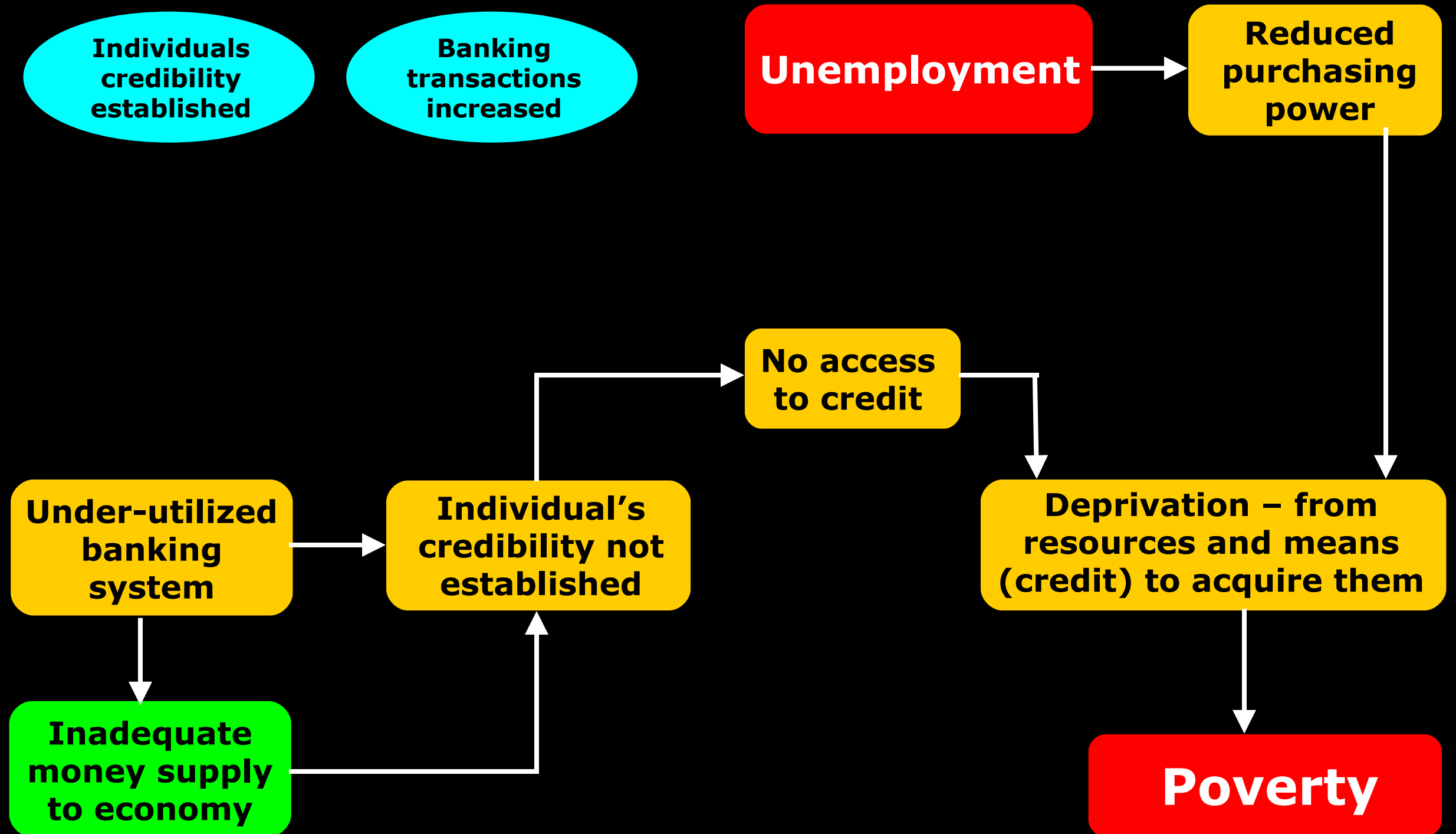
Effects of Proposal



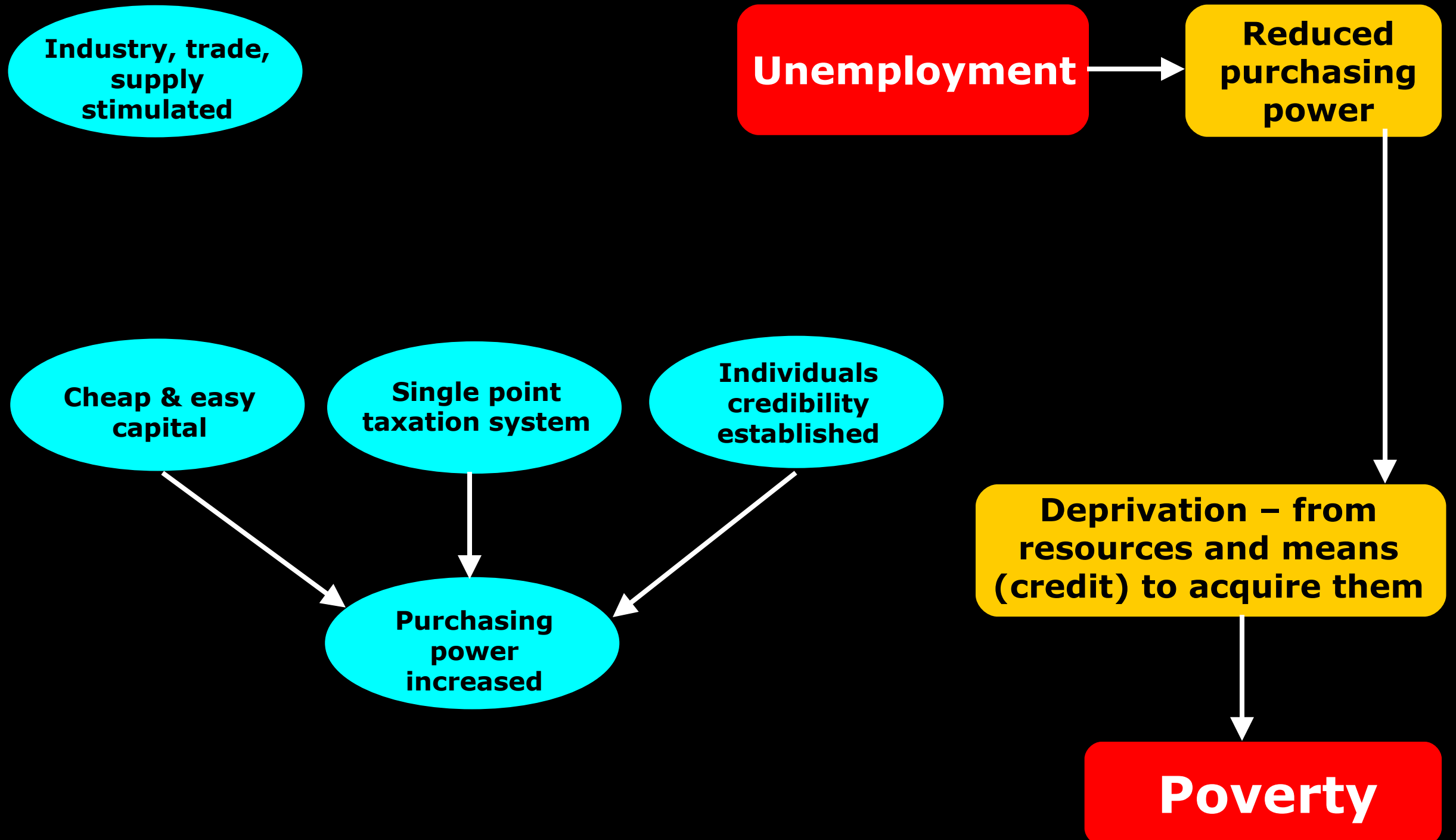
Effects of Proposal



Effects of Proposal



Effects of Proposal



Effects of proposal

Physical constraints (Porous borders, unregulated coastlines)

Parallel economy, Corruption, Fake / high denomination currency

Lack of clear and firm Foreign (therefore, Defense) policy

Logistic support, funding and training etc from hostile foreign organizations / nations

Public sympathy, Weak national Character

Systemic Administrative weaknesses in governance and law enforcement

Birth of a militant

Terrorism

Poverty

Adequate revenue with Government

Individuals credibility established

Single point taxation system

No Black Money

Purchasing power increased

Industry, trade, supply stimulated



Effects of Proposal

Physical constraints (Porous borders, unregulated coastlines)

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Lack of clear and firm Foreign (therefore, Defense) policy

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Terrorism



Social Security

Empowered Government

Adequate revenue with Government

Individuals credibility established

Single point taxation system

No Black Money

Purchasing power increased

Industry, trade, supply stimulated



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We have seen a Dream..

**A Dream of Principled, Prosperous and Peaceful India !
and we are going to fulfill the Dream !**



**You can join us
and contribute through time, money and action.**

www.arthakranti.org



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