

SMUGGLING

*842. **Dr. Ram Subhag Singh:** Will the Minister of Finance be pleased to state:

(a) whether it is a fact that large quantities of luxury goods which were attempted to be smuggled in the city of Bombay from Goa, Daman and Diu have been seized by the Bombay Customs authorities in recent months;

(b) if so, the approximate value of the seized goods; and

(c) whether the smuggling of such goods is now declining?

The Deputy Minister of Finance (Shri A. C. Guha): (a) and (b). In recent months (i.e. during January to July 1953) luxury goods worth Rs. 1,96,293 suspected to have been smuggled from Goa, Daman, and Diu were seized in the city of Bombay by the Customs authorities.

(c) It is difficult to give a categorical reply. All that I can say, Sir, is that concerted measures have been taken to check smuggling and the indications are that as a result there has been a falling off in such smuggling.

Shri Gidwani: May I know whether liquor is smuggled from these places to Bombay?

Shri A. C. Guha: That is one of the items, Sir.

श्री पी० एन० राजभोज : मैं यह पूछना चाहता हूँ कि अगर आप इतना बेसहकीमती सामान अपने यहां मंगाने की इजाजत नहीं देंगे तो गोआ वालों को यहां कौन आने देंगे ? और दूसरे यह है कि गोआ के कितने ऐसे नागरिक हैं जो भारत और गोआ के बीच में व्यापार करते हैं ?

Shri A. C. Guha: I have not been able to follow.

श्री पी० एन० राजभोज : मैं एक सवाल कहता हूँ कि अगर आप इतना बेसहकीमती सामान अपने यहां मंगाने की इजाजत नहीं

देंगे तो गोआ वालों को फिर यहां कौन आदे देंगे ?

Shri A. C. Guha: The smugglers have their own ingenuity and they manage to bring in the goods.

Shri Jaipal Singh: Is whisky classified as one of the essential goods or luxury goods?

Shri A. C. Guha: That depends upon the sort of person who is concerned.

Shri Ram Subhag Singh: May I know since when this smuggling has increased and when the Government of India or the Customs authorities in Bombay started taking practical steps in checking that smuggling?

Shri A. C. Guha: Smuggling was going on practically for a long time and Government of India have been restricting it by taking all possible precautions. In certain categories of articles smuggling has been on the increase in recent times.

Shri Heda: May I know what penalty is imposed upon the smugglers and whether the severity is being increased?

Shri A. C. Guha: We have been giving more severe penalties and I have stated on more than one occasion, that these goods are confiscated and personal penalty to the tune of three times the value of the goods is also imposed. Sometimes the smugglers are prosecuted.

Shri S. V. Ramaswamy: Is it a fact that Government of India is losing three fourths of the revenue on customs on account of this illicit smuggling and if so what steps Government are taking to stop it?

Shri A. C. Guha: I cannot give any definite idea about the figures, but I know that smuggling is going on on a considerable scale and only an infinitesimal part of the smuggled goods are suspected to be seized. The major portion escapes. That is our information.

Shri Dabhi: May I know the names of important luxury goods which are being smuggled into India?

Shri A. C. Guha: Silk and art silk, propelling pencils and leads, watches and clocks, fountain pens and parts, wearing apparel, cigarette lighters handkerchiefs, cosmetics, socks, desk sets, imitation jewellery, metal watch straps, and others including liquors also.

Shri Joachim Alva: Is the smuggling of luxury goods only on a small scale inasmuch as the hon. Minister has said that only a lakh of rupees worth goods have been caught, or is the Government concentrating on catching the big fish, i.e., real gold that is being smuggled in lakhs and lakhs?

Shri A. C. Guha: The question only relates to Portuguese India. If the hon. Member refers to smuggling in general, that is a separate thing.

Mr. Deputy-Speaker: This refers only to luxury goods.

Shri A. C. Guha: And that also from Portuguese India, Sir.

Sardar A. S. Saigal: May I know whether liquor is being smuggled in large quantities after the introduction of the prohibition policy?

Shri A. C. Guha: That is a matter for inference.

Shri Gidwani: Is it a fact that some subordinates of the Customs Department of Bombay were caught while smuggling liquor and they were suspended and are again being retained in service?

Shri A. C. Guha: I shall be obliged if the hon. Member can give us any definite information, but I don't think there is any such case to my knowledge at the moment.

Dr. Ram Subhag Singh: Who are the persons who are indulging in this smuggling?

Shri A. C. Guha: Smugglers.

Dr. Ram Subhag Singh: Whether they are ...

Mr. Deputy-Speaker: Is the hon. Minister in a position to categorise? That is what he wants.

Dr. Ram Subhag Singh: Are they Indian citizens or Goa citizens?

Shri A. C. Guha: I think they are Indians mostly, and there may be some non-Indians.

Mr. Deputy-Speaker: Next question:

Several Hon. Members rose—

Mr. Deputy-Speaker: If hon. Members are not yet satisfied with the number of questions that have been put, there is the half-hour discussion. Any one can apply if it is an important matter. Smuggling is going on to the extent of Rs. 3 crores. The Minister himself says only a small part is being seized.

TOBACCO TAX

*843. **Shri Sanganna:** (a) Will the Minister of Finance be pleased to state whether Government are aware that the growers in the districts of Korapat and Phulbani (Orissa) are unable to pay the tobacco excise tax and their properties are being distrained?

(b) Are Government aware that the arrears of tax for the last three years are being realized now in one instalment?

(c) If the answers to parts (a) and (b) above be in the affirmative, what steps have been taken by Government for the redress of the tobacco growers?

The Deputy Minister of Finance (Shri A. C. Guha): (a) and (b). No Sir. The reports received by the Government do not support these allegations.

(c) Does not arise. I may, however, mention for the information of the House that except for the Royagada sub-division of the Korapat District, these are sparse-growing areas and the bulk of the tobacco produced is either transported to warehouses or allowed to be retained for personal consumption leaving only a small percentage of the total output to be directly assessed. Government have not received any complaints of severity on the part of Central Excise Officers in collecting revenue.

Shri Sanganna: When will the decision of the Government take effect?