

(b) if so. Government's reaction thereto?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI): (a) Yes, Sir.

(b) The matter is under consideration.

Amin Chand Pyarelal Group of Firms

1464. SHRI MADHU LIMAYE: Will the Minister of FINANCE be pleased to refer to the reply given to Starred Question No. 214 on 10th November, 1966 regarding Amin Chand Pyarelal Group of Firms and state:

(a) whether in view of the criticism in Parliament of the advice given by the Law Ministry in regard to the legality of the amendment by the Iron and Steel Controller of the Customs Clearance Certificate after its expiry, Government have since obtained the opinion of the Attorney General or Solicitor-General; and

(b) if not, the reason for not obtaining this opinion?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI): (a) and (b). There was no indication in the discussions in Parliament that the opinion of the Attorney General or the Solicitor General was to be obtained. The advice of the Ministry of Law regarding the legality of the amendment of the Customs Clearance Permit after the importation of the goods was clear and definite and the need for taking further legal opinion did not arise.

Remittances by Indian Nationals Living in U.K.

1465. SHRI MADHU LIMAYE: Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 419 on the 3rd November, 1966 and state:

(a) whether any investigation has since been carried out into "unauthorised transactions of a compensatory nature" resulting in decline of the remittances of Indian nationals living in U.K.;

(b) if so, the result thereof; and

(c) the steps taken to prevent/reduce these unauthorised transactions of a compensatory nature?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI): (a) and (b). A number of cases of 'compensatory payments' relating to illegal remittances by Indian nationals living in U.K. are being detected by the Enforcement Directorate. Investigations have been carried out in many of these cases and where the contraventions of the Foreign Exchange Regulation Act have been established, appropriate action has been taken under the relevant provisions of the Act for confiscation of the seized currency and/or imposition of personal penalty.

(c) The Enforcement Directorate continues to be vigilant and is taking suitable action in cases of violation of foreign exchange regulations. The Foreign Exchange Regulation Act, 1947 was amended in 1965 providing that no person in or resident in India, shall receive, otherwise than through an authorised dealer, any payment by order or on behalf of any person resident outside India. This provision has enabled the Enforcement Directorate to detect quite a good number of cases of receipts of remittances through the system of 'compensatory payments'. The devaluation of the rupee in 1966 was, *inter alia*, calculated to bridge the difference between the unofficial and official rates of exchange, thereby reducing the incentive for resorting to the system of 'compensatory payments'.

श्री हरिदास मूंदड़ा के विरुद्ध मामले

1466. श्री मधु लिमये: क्या वित्त मंत्री 1 दिसम्बर 1966 के अतारार्कित प्रश्न संख्या 2791 के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि:

(क) क्या विदेशी मुद्रा विनियम-अधिनियम, 1947 के उपबन्धों के उल्लंघन

के लिये श्री हरिदास मूंदड़ा के विरुद्ध प्रारम्भ की गई जाँच इस बीच पूरी हो गई है; और

(ख) यदि हाँ, तो जाँच से निष्कर्षी के परिणामस्वरूप क्या कार्यवाही की गई है ?

उप-प्रधान मंत्री तथा वित्त मंत्री (श्री मोरारजी देसाई) : (क) श्री हरिदास मूंदड़ा द्वारा विदेशी मुद्रा विनियमन अधिनियम 1947 की अवस्थाओं का उल्लंघन किये जाने के सम्बन्ध में प्रवर्तन निदेशालय की जाँच पड़ताल अभी भी चल रही है।

(ख) यह प्रश्न नहीं उठता।

C.G.H.S. Medicines

1467. SHRI ONKAR LAL BERWA: Will the Minister of HEALTH, FAMILY PLANNING AND URBAN DEVELOPMENT be pleased to state:

(a) whether it is a fact that a large quantity of Central Government Health Scheme medicines in Delhi find their way back to the market through dispensaries and sold again to the Government; and

(b) if so, how many such cases have been detected so far?

THE DEPUTY MINISTER IN THE MINISTRY OF HEALTH, FAMILY PLANNING AND URBAN DEVELOPMENT (SHRI B. S. MURTHY): (a) and (b). Although cases of pilferage of medicines from C.G.H.S. dispensaries and defalcation of stores accounting in the dispensaries have been detected from time to time, no case of re-sale to C.G.H.S. of the medicines pilfered from C.G.H.S. dispensaries has come to notice. Procurement under the C.G.H.S. is made in bulk from reputable manufacturers or their agents.

Overdrafts by States on R.B.I.

1468. SHRI ONKAR LAL BERWA: SHRI M. N. NAGHNOOR:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India has discouraged overdraft by the State Governments but the States have been disregarding the restrictions; and

(b) if so, what are the details of overdrafts from the Reserve Bank of the States during the current financial year so far?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE, (SHRI MORARJI DESAI): (a) The Reserve Bank has, from time to time, advised the State Governments that they should avoid recourse to overdrafts on the Bank beyond the authorised limits.

(b) The following four States had unauthorised overdrafts aggregating Rs. 7.80 crores, as on the 24th July, 1968.

	(In crores of Rs.)
Assam	1.70
Bihar	0.78
Mysore	0.89
Rajasthan	4.43
	7.80

Production of Fertilizers

1469. SHRI M. N. REDDY: Will the Minister of PETROLEUM AND CHEMICALS be pleased to state:

(a) the total production of various kinds of Fertilizers in the country during last two years and how the shortage is being met during the current year;

(b) whether Government are aware of the acute shortage of urea in Andhra Pradesh at present; and