

[Translation]

Conversion of Black Money Into White

*67. SHRI SIMON MARANDI:
SHRI DAU DAYAL JOSHI:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government had started several schemes during the last six months of 1991 for converting black money into white;

(b) if so, the details thereof;

(c) the total amount deposited under these schemes so far; State-wise and month-wise;

(d) the total foreign exchange collected upto February 15, 1992 under these schemes; and

(e) the purposes for which this amount is proposed to be used?

[English]

THE MINISTER OF STATE IN THE

MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b). The National Housing Bank (Voluntary Deposit) Scheme 1991 notified on 27th September, 1991 was meant for mobilisation of black money. Two other schemes viz. Remittances in Foreign Exchange (Immunities) Scheme, 1991 and India Development Bonds Scheme, 1991 were notified on 20th and 21st September, 1991 respectively with a view to attracting inflow of foreign exchange.

(c) The details of the deposits under the National Housing Banks Scheme are given in the attached Statement.

(d) The total foreign exchange collected under Remittances in Foreign Exchange (Immunities) Scheme and India Development Bonds Scheme as on 15th February, 1992 was about US \$ 2.35 billion (Rs. 6110 crores).

(e) The Funds collected under the Voluntary Deposit Scheme are to be primarily utilised for slum clearance and low cost housing for the poor. The funds received under the two schemes viz. Remittances in Foreign Exchange (Immunities) Scheme and India Development Bonds Scheme are expected to improve the balance of Payments.

STATEMENT**Total Amount Mobilised (Cum-ulative)**

(Rs. in lakhs)

States	30.10.1991	29.11.1991	30.12.1991	31.01.1992
Andhra Pradesh	0.00	74.44	103.56	115.96
Arunachal Pradesh	0.00	0.00	0.00	0.00
Assam	0.00	4.70	27.75	56.34
Bihar	0.00	34.29	116.45	215.93
Goa	0.00	16.10	19.90	29.90

(Rs. in lakhs)

<i>States</i>	<i>30.10.1991</i>	<i>29.11.1991</i>	<i>30.12.1991</i>	<i>31.01.1992</i>
Gujarat	74.80	228.80	430.99	591.12
Haryana	0.00	8.70	18.20	25.50
Himachal Pradesh	3.35	16.50	42.96	61.56
Jammu & Kashmir	0.00	0.00	0.00	0.00
Karnataka	13.85	295.61	471.55	667.76
Kerala	143.70	323.08	342.08	461.80
Madhya Pradesh	0.00	38.97	76.72	142.57
Maharashtra	75.63	833.99	1438.28	1954.37
Manipur	0.00	0.00	0.00	0.00
Meghalaya	0.00	0.00	4.00	19.73
Mizoram	0.00	0.00	0.00	0.00
Nagaland	0.00	0.00	0.00	0.00
Orissa	1.00	89.25	206.41	276.74
Punjab	0.00	122.10	230.38	255.10
Rajasthan	0.00	28.76	51.76	82.21
Sikkim	0.00	0.00	0.00	0.00
Tamil Nadu	58.14	282.54	520.99	809.34
Tripura	0.00	0.00	0.00	0.00
Uttar Pradesh	16.80	450.24	808.53	1551.03
West Bengal	2.00	923.21	1087.42	1832.11
A & N. Islands	0.00	0.00	0.00	0.00
Chandigarh	0.00	15.60	18.60	34.50

(Rs. in lakhs)

<i>States</i>	<i>30.10.1991</i>	<i>29.11.1991</i>	<i>30.12.1991</i>	<i>31.01.1992</i>
D & N Haveli	0.00	0.00	0.00	0.00
Daman & Diu	0.00	0.00	0.00	0.00
Delhi	197.68	646.56	943.71	1463.33
Lakshdweep	0.00	0.00	0.00	0.00
Pondicherry	0.80	0.00	0.80	0.80
ALL INDIA TOTAL	587.75	4444.23	6971.03	10659.93

SHRI SIMON MARANDI: Mr. Speaker, Sir, the Reserve Bank of India and the Unit Trust of India launched several schemes for converting black money into white but the response to these schemes has been much below the expectations of the Government. Under the circumstances, will the hon. Minister be kind enough to inform the House of the number of people arrested for accumulating black money, the number of documents seized during the last six months and whether cases have been registered in the courts against the offenders?

SHRI RAMESHWAR THAKUR: Mr. Speaker, Sir, the hon. Member has inquired about the total amount deposited under the various schemes initiated by the Government for converting black money into white. I have mentioned in the annexure that the total amount mobilised in all States and Union Territories during the said period stands at Rs. 10659.93 lakhs. So far as the second question regarding those evading income tax and violating income tax laws is concerned, I have to say that there are provisions within the Income-tax laws for imposition of fine and interest as penalty on income-tax evaders. There are also provisions for imprisonment. However, this ques-

tion is not directly related to the main question. Therefore, if the hon. Member desires. So, the figures shall be laid on the Table of the House.

SHRI SIMON MARANDI: The Government makes alterations in its policies from time to time, under pressure from the World Bank and the International Monetary Fund, as a result of which Non-Resident Indians are hesitant to invest their money in India. I would like to know from the Government whether the Government proposes to bring about changes in its economic policy?

SHRI RAMESHWAR THAKUR: So far as our policies are concerned, there is no question of any interference from the World Bank or any international financial institutions or its officials. We formulate policies on our own. We have given an opportunity to Non-Resident Indians to invest in the country and they are entitled to purchase India Development Bonds as well. This provision was exclusively made for NRIs. More than Rs. 2,000 crores were mobilised under these schemes and the Non-Resident Indians purchased India Development Bonds worth more than Rs. 4,000 crores. This, we have been providing ample opportunities to the

N.R.Is. to make maximum investments in India and thus, participate in the economic development of the country.

SHRIDAU DAYAL JOSHI: Mr. Speaker, Sir, I had used the term 'Condemn' when the hon. Minister was giving his reply. I did it because today two major problems confront the nation. One is that of black money and the other is housing. These schemes were formulated to solve these problems. In his reply, the hon. Minister has mentioned that the Government was able to mobilise Rs. 10659.93 lakhs which as per my calculations can help in building only 25,000 dwelling units. I would like to know from the hon. Minister whether he consider these schemes as successful and if not what does the Government propose to do with these two unsuccessful schemes intended to bring out black money and solve the housing problem?

SHRI RAMESHWAR THAKUR: I have not used the word 'Condemn' it seems to be a case of misunderstanding... (*Interruptions*). We propose to utilise the funds collected under these schemes for slum clearance and low cost housing for the rural poor and slum dwellers... (*Interruptions*)

SHRI RAJENDRA AGNIHOTRI: The hon. Minister is requested to make his point clear.

MR. SPEAKER: Mr. Minister, the question is whether the funds mobilised is sufficient to solve the aforesaid problems?

SHRI RAMESHWAR THAKUR: The problem is gigantic and it cannot be solved by this amount. However, we shall utilize this money properly to solve the housing problem of the poor as much as possible (*Interruptions*)

[*English*]

MR. SPEAKER: No, no; please stop it.

(*Interruptions*)

MR. SPEAKER: Not like this. He is replying to your question.

[*Translation*]

SHRI RAMESHWAR THAKUR: We do concede that we have not been successful in bringing out black money, as much as we expected. However, we have been able to mobilise substantial amount under the Remittances in Foreign Exchange (Immunities) Scheme, 1991. Similarly, the India Development Bonds to sold like hot cakes and we have been able to mobilise Rs. 6,000—Rs. 6,500 crores under that scheme.

SHRI PRAFUL PATEL: This scheme was a failure. Therefore, I would like to know from the Government whether it has any other scheme for converting the black money being generated in the country into white? I also request the hon. Minister to inform the House of the steps proposed to be taken by the Government to check the generation of black money in future?

SHRI RAMESHWAR THAKUR: As for the first point you raised under the National Housing Bank Scheme... (*Interruptions*)

[*English*]

MR. SPEAKER: You are behaving in a rowdy manner. You have to behave properly. I do not appreciate this kind of comment from you. Not like this, I am giving chance to all Members. You will also get the chance.

(*Interruptions*)

[*Translation*]

SHRI RAMESHWAR THAKUR: Housing schemes would be given concrete shape with the funds collected under the National Housing Bank Scheme and stringent action under the Income Tax Act would be taken to bring out black money. No new scheme is under the consideration of the Government.