

(iv) *Need to set up a University for the preservation and development of Sindhi Language.*

[English]

DR. K.P. JESWANI (KHEDA): About 50 lakhs of Sindhis are living in India at present. At the time of partition of India, they had left behind all the wealth and property, but had carried with them the ancient rich culture of Mohan-jo-Daro. It was only after twenty years that Sindhi language was included in the Eighth Schedule to the Indian Constitution in 1967, as an official language. Since then, very little has been done to preserve and develop the Sindhi language and culture. Some time before, formation of a Sindhi Vikas Board was announced by the Government, but there seems no further progress.

There has been an increasing demand for the formation of the University for the preservation and development of the education through Sindhi language. I feel the demand has justification. I, therefore, request the Union Government to take into consideration this vital issue seriously and satisfy the high sentiments of the large community of Sindhis.

(v) *Need for effective enforcement of prohibition in the country.*

[Translation]

SHRI RAM PUJAN PATEL (Phoolpur): The father of the nation Mahatma Gandhi worked incessantly to strengthen the country and society by advocating complete prohibition and setting up cottage industries in the rural areas. But even after 45 years of Independence, his ideals have not been properly followed. In order to enslave a country, if their language, literature and culture are destroyed and their youth and masses are got indulged in bad habits then they would lose their capacity to fight for their rights. That's why Mahatma Gandhi wanted to enforce prohibition.

The Government on the one hand is spending crores of rupees annually on publicity and propagation of prohibition, and on the other hand sale of liquor is going on to earn revenue. The poor people and the society are becoming victims of this wrong policy.

I, therefore, request the Central Government that keeping in view the interests of the country

and society immediate steps should be taken to ensure complete prohibition in the country.

(vi) *Need to convert metre gauge railway line into broad gauge railway line in North Bihar.*

SHRI SURYA NARAYANA YADAV (Saharsa): A metre gauge line of North Eastern Railway passes through Saharsa, Madhepura, Supol, Darbhanga, Khagaria etc. districts in North Bihar. A lot of difficulties are being faced in travelling and transportation of goods this metre gauge railway line.

All passenger trains on this region have coal engines as a result of which it takes a lot of time in undertaking journey from one place to another. These trains suffer break down very frequently.

I, therefore, request the Central Government to convert all metre gauge railway lines of North Bihar in broad gauge railway lines and till these lines are converted in to the broad gauge railway lines all passenger trains on metre gauge railway lines should be run by diesel engines.

14.44 hrs

STATUTORY RESOLUTION RE: DISAPPROVAL OF CONSERVATION OF FOREIGN EXCHANGE AND PREVENTION OF SMUGGLING ACTIVITIES (AMENDMENT) ORDINANCE—contd.

AND

CONSERVATION OF FOREIGN EXCHANGE AND PREVENTION OF SMUGGLING ACTIVITIES (AMENDMENT) BILL—contd.

[English]

MR. DEPUTY SPEAKER: Now, the House shall take up Item Nos. 7 and 8 together. Time allotted was one hour. Shri Ram Naik was on his legs and he has taken 17 minutes. So, 43 minutes are left. So, I request the Members to limit to the timings. Shri Ram Naik may continue.

[Translation]

SHRI RAM NAIK (Bombay North): Mr. Deputy Speaker, Sir, on 10th August debates

went on in the House upto 6-p.m. I was speaking at that time. I would like to sum up all that I had said on that day.

At the outset, I had felicitated the Finance Minister because he was awarded Finance Minister of the year by 'Euromoney', and at the same time, I regretted that the Finance Minister has to make use of an ordinance to extend the time upto 31-7-1996. Therefore, I said that Finance Minister has become Ordinance-Addict. He has been issuing ordinances time and again. He issued 21 ordinances in 1992 and 8 more i.e. 29 ordinances in 1993. I object to it. I had also stated that the smuggling of gold and silver is increasing. Narcotic drues are being smuggled in on large scale but leniency is being shown in regard to arrest of smugglers. According to the figures given in the Finance Report furnished by you, 3600 persons were arrested in 1990 and 1800 persons were arrested in 1992. In the amendment moved by me regarding Vulnerable Area Definition it has been stated that this is original bill of 1974. There is vast difference between the vulnerable area definition given in this bill and that of given in the Narcotic Drugs Act, 1988. If the Government is making an amendment, I would like that there should be uniformity between the vulnerable area definition given in Narcotics Drugs and Smuggling Vulnerable Area Definition. Only for this purpose I have given this amendment.

Mr. Deputy Speaker, Sir, I had also stated that the smuggling had been going on in Western Coast all these years as a result of which vulnerable area definition for Gujarat, Goa, Maharashtra, Karnataka and Tamil Nadu states was declared. I had also stated that as their centres of activities has been changed from Western Coast to Eastern Coast, and as Orissa, Andhra Pradesh and West-Bengal are included in Western Coast in Narcotics Drugs Act, 1988 all accordingly these places should be included in this bill also.

Mr. Deputy Speaker, now the million-dollar question is as to what is the difference in definition. It has been said that COFEPOSA will be applicable to customs Airport of Delhi, but in the context of Narcotics Drugs Bill, it has been stated :

[English]

The metropolitan cities of Bombay, Calcutta, Delhi, Madras and city of Varanasi, and all customs airports."

[Translation]

My first demand is that the same detailed definition be given in this Bill also as is given in Narcotics Drugs Act, 1988.

Mr. Deputy Speaker, Sir, you have enforced Narcotics Drugs Act on Indo-Bangla Desh, Indo-Tibet, Indo-Burma land border but not this one. This Act should also be enforced because the smuggling of essential items such as rice, wheat and sugar is carried out on a regular basis. Therefore, my demand is that all the borders of India and all the coastal lines be declared vulnerable areas. Only then you will be able to check the smuggling of narcotics drugs from entering India. It has been stated in this bill that in some areas this law will be applicable within the circumference of 50 kms. from sea-shore but under the same provision you have stated that at other places it will be applicable in the periphery of 100 kms. My demand is that the limit of periphery of 100 kms should be applicable in all the areas only then a proper use of this law will be made. The periphery limit is 100 kms. in Narcotics Drugs Act, 1988, but so far as smuggling is concerned, it is 50 km. The implementation is carried out by the same officers. So, the area of operation should also be same and some changes must be brought in from this point of view.

The more important is whether you want to check the smuggling or not? The say narcotic drugs are being smuggled in the country that shows that nothing is being done to check it. However, all the proceedings to enact laws are, though, not-problem-solving enough to check smuggling narcotics drugs, yet what action is being taken by you against those who buy the smuggled goods? Many shops right from those selling goods on pavements to big shops are selling smuggled goods in every big city in the country. The law should be used in a preventive way i.e., to arrest those who buy smuggled goods and if smuggled goods are intercepted from the residences of people in high places, then, they should also be arrested. Such people should be beaten up in the streets. But, no action is being taken by you. What are you doing is not known? It calls for a strong action.

Now, a new magnitude has been added to smuggling. Earlier, the smuggling was only for monetary gains, but now thing has been seen now in Bombay, Calcutta and Madras. Now, RDX and other various kinds of arms are also

being smuggled into the country. I doubt that you are keeping any check over it, it is clear from this fact that Memmon brothers fled away, you could not bring Dawood to India and a rift has also been going on between the Central Government and the Government of Maharashtra as to who is going to conduct an enquiry-CBI or Bombay police. The State Minister urged that it should be conducted by the CBI, yet it is being done by Bombay police and the way the Bombay police is investigating into the matter makes are angry. The right hand man of Dawood is one Mohammad Haneef who is a smuggler and who was arrested in Bombay by a DSP of Surat. The arrest was made in Bombay but it was not made by the Bombay police. The director-general of Police of Gujarat says that they sent three DSPs along with other personnel and arrested them, but the police commissioner of Bombay Mr. Samra says that he is not aware, then how do you propose to win the people's trust for you when smuggling and RDX... (*Interruptions*)... It is for you to check smuggling so don't entrust it to the Home Ministry... (*Interruptions*)... Yes, it is for you to check smuggling, you should not escape this responsibility by referring it to the Ministry of Home Affairs. You should take great care and assure us that such economic offenders who are working against the interests of our economic policy are traitors to the country. But why are you taking them lightly?

My next allegation is that when the Chief Minister of our State was a Union Defence Minister, he had travelled from Varanasi to Pune in a plane in which two persons wanted under TADA and COFEPOSA had also travelled with him. An allegation to this effect had been levelled against him in the Maharashtra Assembly and I had met the then Defence Minister of State seeking information as to how two persons Mr. Anil A. Sharma and Mr. Anil N. Sharma had travelled with him but I have not received any information till date. We are at a loss to understand as to how this Government is functioning. I would like to know what the Government have to say about those two persons who were wanted under TADA and COFEPOSA and who travelled along with the then Union Defence Minister and the present Chief Minister of Maharashtra. How can such things be allowed to drift along like that? I demand from this House that the Government should get these Sharma brothers repatriated to India, if they have fled. And full details should be placed on the table of the House as to how these two persons and the then Union Defence Minister and the present

Chief Minister of Maharashtra travelled together on the same plane.

SHRIMATI KESHARBAI SONAJI KASHIRSAGAR (Beed): This is wrong. The Chief Minister of Maharashtra had said that he was not aware of that and he would find out the facts. I know that he had said so later on, you should not say like that.

[*English*]

SHRI RAMESH CHENNITHALA (Kotayam): You cannot level baseless allegations against a person such as the Chief Minister. This is not correct. He does not have any proof or evidence. Therefore he should not make such allegations.

[*Translation*]

SHRI RAM NAIK: I have proof, that's why I have stated. Mr. Deputy Speaker, Sir, I am saying here on the basis of full information that I have. And the country should have proper information about this serious matter.

A new foreign exchange remittance scheme has been introduced in the country under which if someone sends foreign exchange to India no question of any sort will be asked. Such concession has been given under this scheme under foreign exchange act. But as a result of that, people like Harshad and Dalal brought money into India in their mother's name. A clerk Sitaram in the State Bank of India brought lacs of rupees from abroad under this scheme. The security, patronage and amnesty provided to the money being brought from abroad in this manner should be dispensed with. I want that the foreign exchange should be earned by India in a justified manner and only such money should be spent on the development of our country.

Mr. Deputy Speaker, Sir, now I will conclude my speech after making last submission. Our annual report says that our coastal guards and our soldiers posted at our border need modern equipment, like binoculars etc. and our boats run at the speed of 40 Kmph. whereas the smugglers possess boats which run at the speed of 90 to 100 kmph. The smugglers have the modern equipments, sophisticated arms, latest wireless machinery metal detectors etc. Whereas we do not have latest equipment or latest machinery. That's why, as per the report it is necessary that more funds should be provided for this.

The Government should provide more funds and necessary equipments and at the same time it should have will power to check the smuggling. If Government gives such an assurance only then we are prepared to support this bill.

I think it is correct to extend the time but without the will power to check the smuggling and provision of necessary equipments it would be meaningless. I would like that this Minister will reply to the points I have raised during the discussions.

15.00 hrs.

(SHRI SHARAD DIGHE *In the Chair*)

I would like the Government to make a comparative study of the amendment I have introduced. Otherwise, sometimes it so happens that though the amendments are introduced by the Opposition party, yet they are justified but the tendency is to reject them. I therefore, request the Government to rise above this tendency and welcome and accept the constructive amendments introduced by me.

[*English*]

MR. CHAIRMAN: Motion moved:

That this House disapproves of the Conservation of Foreign Exchange and Prevention of Smuggling Activities (Amendment) Ordinance, 1993 (Ordinance No. 26 of 1993) promulgated by the President on the 25th June, 1993."

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHARA MURTHY): On behalf of Shri Manmohan Singh, I beg to move:

"That the Bill further to amend the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974, be taken into consideration."

The COFEPOSA Act, 1974 is one of the measures for effectively dealing with the organised activities of smugglers and foreign exchange racketeers. This provides for preventive detention of persons engaged in smuggling activities. Section 9 of the Act deals with orders

of preventive detention in cases of offences under the Act in areas highly vulnerable to smuggling. Such areas have been indicated in the Section itself. This Section indicates the period for which detention can be made without reference to the Advisory Board. In cases where declarations are made under Section 9, the maximum period of detention could be upto two years as against the ordinary period of one year. This provision was valid only upto 31st July, 1993. An Ordinance was promulgated on the 25th June, 1993 for the extension of Section 9 for a period of 3 years beyond 31st July, 1993. This was necessitated as the Parliament was not in Session. This Bill seeks to replace the Ordinance.

The COFEPOSA Act and, particularly Section 9, have been effectively invoked and they have supplemented the efforts of the anti-smuggling and Enforcement Wings. The menace of smuggling has not completely abated, besides the recent smuggling of RDX explosives emphasis the need to continue the longer period of detention of two years in case of offences in highly vulnerable areas.

With these words, I move that the aforesaid Bill further to amend the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 be taken into consideration.

MR. CHAIRMAN (SHRI SHARAD DIGHE): Motion moved:

"That the Bill further to amend the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974, be taken into consideration."

There are amendments to this motion. Shri Girdhari Lal Bhargava, are you moving your amendment?

[*Translation*]

SHRI GIRDHARI LAL BHARGAVA (Jaipur): I beg to move.

"that the Bill be circulated for directing opinion thereon till the 22nd November, 1993. (f)"

DR. RAMESH CHAND TOMAR (Hapur): I beg to move:

"that the Bill be circulated to know the opinion thereon till the 19th November, 1993." (5).

[English]

SHRI RAM NAIK: Sir, I have also given amendment.

MR. CHAIRMAN: Your amendment will come at the clause-by-clause consideration stage.

Statutory Resolution moved by Shri Ram Naik and the Bill moved by hon. Minister will be discussed together.

Shri Akber Pasha, please.

SHRI B. AKBER PASHA (Vellore): Sir, I rise to support the Conservation of Foreign Exchange and Prevention of Smuggling Activities (Amendment) Bill.

This ordinance of 1993 has to be repealed. Under Section 9, Sub-section 1, this date of 31st July, 1993 may be replaced with 31st July, 1996.

"Anything done or any action taken under the Principal Act shall be deemed to have been done or taken under the Principal Act as amended by this Act."

The very purpose of this Ordinance is, as you all know, to check the smuggling activities that are going on in our country. Now, it has become very important when the information regarding smuggling of RDX has come which has created a lot of news and damages to our country, especially, in Bombay and Calcutta.

Regarding the recent bomb blast at Madras, the other day, the Home Minister had said that it was not RDX but it was someother material with which the blast took place.

Sir, in the Statement of Objects and Reasons of the Act it is stated and I quote:

"The Act provides that any person who smuggles or likely to smuggle goods or abets or is likely to abet the smuggling of goods or engages in or likely to engage in transporting or concealing or keeping the smuggled goods in any area highly

vulnerable to smuggling and in respect of whom an order of detention is made at any time before 31st July, 1993—now it has been extended till 1996—may be detained without the opinion of the Advisory Board longer than three months but not exceeding six months from the date of his detention."

The maximum period of detention specified in Section 10 of the Act in such cases is two years. Earlier, it was one year.

Despite allowing import of 5 Kgs. of gold and 100 kgs. of silver per person on nominal Customs Duty in convertible foreign exchange, the smuggling has not abated. Further, the recent smuggling of RDX explosives emphasises the need to extend the detention period to two years.

Large quantities of subsidised wheat, rice, sugar and kerosene meant for Public Distribution System are smuggled across the border to Bangladesh and Myanmar. Some smuggling is also taking place in Nepal. I had been to Nepal in connection with the procurement of tanned skins and hydres. I had seen the border viz. the no man's land. It is very difficult to say whether people can easily go across. Nepal is not having that much of livestock but a lot of skins and hides are smuggled not only from India but also from Bangladesh with the result that they have got a large number of factories which have no raw materials but which depend on smuggled raw materials. So, for checking all these things, we have to pass this Ordinance retrospectively. It should take effect from June, 1993.

Assam, Manipur, Mizoram, Meghalaya, Arunachal Pradesh, Nagaland and Tripura are places where you see the foodgrains distributed through the Public Distribution System are getting smuggled. Especially, during rainy season, smuggling is rampant. Further, transportation is also a difficult thing. There is only a broad-gauge line upto Guwahati and from Guwahati, the materials have to be transferred to a metre-gauge line.

During transportation or ever earlier than that, some of these materials are being smuggled. The railway authorities are not able to quantify the exact quantity of the materials smuggled. They only load materials and say such and such bogie contains foodgrains of such and such variety. The situation there is so difficult specially during rainy season.

Now we have floods all over the country. Sometimes food has to be air-dropped. So, under these circumstances, we have to take very strict and stringent measures to check this smuggling.

All Collectors along the coast and the land borders and in charge of international airport remain fully alert to check smuggling of contraband goods both into and out of the country. In 1992, contraband goods worth about Rs. 502 crore had been seized. Earlier, for example, in 1990, it was Rs. 760 crore; in 1991, it was Rs. 774 crore; it has come down, but it has not completely stopped.

This morning, the Home Minister was telling that the eastern border alone is as long as 2000 Kms. So, it is very difficult to make a check on the long border and prevent total smuggling on this long border.

The Customs Houses and the Directorate of Revenue Intelligence detected a large number of cases involving violation of import/export trade control laws, evasion of customs duty, irregular availment of export benefits like drawback, CCS, Exim Scrips and the fraudulent utilisation of DEEC.

Hence the 1992 gold legally imported due to concessions given by the last Budget resulted in a revenue of Rs. 240 crore of customs duty, that was collected for 1990—92.

A lot of checking is taking place and the number of persons arrested in 1990—92 was 1805; the number of persons convicted in 1992 was 388; the number of persons detected under COFEPOSA in 1992 was 857 and the number of persons actually detained in 1992 was 423. Now the Government of India is doing its level best to see that these things are curtailed. Therefore, we need an Ordinance of this nature to come. Otherwise, it will be very difficult.

Smuggling it has been curtailed to some extent, not totally eradicated. To check its steps taken are procurement of speed boats. Our friend, Mr. Ram Naik was telling that we do not have enough of speed boats are smugglers are having. But still we are having a certain amount of speed boats; and we are going in for some more speed boats also: we have placed orders with M/s. N. M. Wadia & Co., Billimora, M/s. Bristol Boats. We are expecting those orders to be executed by these parties.

We have taken other measures like making use of usual Baggage X-ray Machines, Door Frame Metal Detectors, Gold Detectors, Hand Hold Metal Detectors, Night Vision Binoculars, Sniffer Dogs and Bullet Proof Vests.

With these measures, the Government is trying to do its best; and we have got to have this Ordinance passed also.

Mr. Ram Naik's only objection was that this could have been passed during the Budget Session.

We had three months' time. He was asking why the Government should come so late and try to get it done retrospectively. Other than that, he does not have any objection to this Bill being passed. So, I request that this Bill may be passed.

[Translation]

SHRI MOHAN SINGH (Deoria): Mr. Chairman, Sir, the very purpose of the Bill is to amend the COFEPOSA Act and to extend the time limit of detention period which is introduced by the hon. Minister. Nobody can oppose it.

It only shows the silliness of the Government. After introducing the New Financial Industrial Policy the Government has announced one after the other concessions in the house during these two years. The policies of the Government itself encouraged the smuggling activities on a large scale whereas it was expected that illegal smuggling activities would be checked by giving concessions by the Government. But opposite results are coming out. The Government allowed to bring one quintal silver and also a certain quantity of gold. It was presumed that smuggling activities would be checked by these steps. But some new facts have come to light. Recently the officers of Custom department have detected that a case at one of the ports of Kerala in which 30 to 40 kgs of gold was being smuggled concealed in one quintal of silver. But there is no such machine in your Department which may detect the gold being concealed in silver. This Government has no figure about the gold which came in the form of silver in this country. Huge cubes of silver were formed and gold was kept under it. When cubes were cut and an information to the effect that gold was concealed under the silver cubes, reached the custom department it became vigilant.

There is no such machine at air ports and shipyards which can detect the gold hidden in silver cube. When the rate of gold goes down in international market and increases in India, gold is smuggled into the country. But there was a time when the rate of gold went down. Consequently, smuggling of gold was reduced. It was apprehended at that time that gold can be smuggled out from India. But now the situation has changed and the inflow of gold to India is as usual. But I would like to ask what action is being taken by the Government to check such type of smuggling of gold where it is being hidden in silver.

Secondly, I would like to state there is a COFEPOSA Act. During those days smuggling was being carried out in many fields and the names of big political leaders were also associated with these smugglers. During the days the smugglers used to change their areas of operation after every ten years. If they are arrested at Goa or Daman, they would shift their route to Madras. When there is strictness in Madras, they would go to East Coast. In this manner, the situation is changed now. Nepal is our neighbouring country and we have cordial relations with it. Now democracy is there and our relations are very congenial. Entire area of U.P. and Bihar touches the border of Nepal. In some districts of U.P. Government have allowed to produce opium in a limited quantity. Any farmer can produce opium in an acre of land, he gives a required quantity of opium to Government, and rest of the quantity is smuggled out via U.P. and Nepal. We are making our relations closer with China. We are coming closer so far trade is concerned with border disputes are there. Tibet is situated across the Utrakhand region of U.P. In my opinion illegal opium farming is going on in the hills of Garhwal. The cocaine and opium produced there is being smuggled to international markets via China and Nepal. Therefore, the definition of areas of smuggling which has been given in the COFEPOSA Act, 1974 must be changed.

Thirdly, it has appeared in newspapers that smuggling activities are carried out in collusion with the officials of Custom Department. Recently a friend of Daud Ibrahim met the Chairman of Custom Board in Delhi and stayed in a 5-Star Hotel for 15 days and with his sinister alliance he gave a list of officers to the Chairman and with his consent his people were posted at Bombay port and Custom Department. This news had appeared in caption in the

newspapers of Delhi. When the Bombay bomb blast was being discussed in the House, I asked the Minister of Home Affairs what was his reaction to the news item appeared in the 'Janasatta'. At that time he replied that it would be inquired into. But I regret that no reply in this regard has so far come. But is it not a fact that RDX was smuggled into the country in connivance with Custom officials? On this charge, they were apprehended. But the question is who has posted them there. Has the Government inquire into it? In the COFEPOSA Act, there is not provision to punish the officers. You say that any one who is involved in smuggling activities and/or who may hide the smuggled goods, he may be kept under detention but the officer, who will encourage smuggling activities, will be dealt under COFEPOSA Act, it is not mentioned therein.

Therefore, I would like to state that while you are making amendment in sub-section (i) of Section 9 of this provision Government should consider to enhance the scope of the COFEPOSA Act.

With these words I conclude.

[English]

SHRIM. RAMANNARAI (KASARAGOD) :
Mr. Chairman, Sir, the purpose of this Amendment is to properly execute and is to properly implement the provisions of the Act.

For the first time in the year 1974, the COFEPOSA Act was brought. At that time, there was a hue and cry that the smuggling activities were taking place throughout the country. At that time, we knew that the smuggling activities were around the Bombay city and in some parts of Malabar in Kerala. That was in 1974. Now, only in Bombay city and around the city, and in Malabar area in Kerala, but the smuggling activities are also taking place throughout the country and around the sea. In no place we can now boldly say that there are no smuggling activities. Even in the borders-Chinese border, Bangladesh border, Nepal border-the smuggling activities are taking place now.

Now, why there is this kind of growth in smuggling activities, we have to ponder over that. There is a saying 'yatha raja tatha praja'. Because the rulers are corrupt, the people also become corrupt, because everybody wants

money. The rulers also want money, the people also want money, and for making money, this is the easiest way. That is why smuggling activities grow.

Now, there are two aspects in this. One is prevention of smuggling and the other is conservation of foreign exchange. I want to say something about conservation of foreign exchange. The purpose is all right. The conservation of foreign exchange is necessary. We want to import valuable machinery, we want to import valuable drugs, but what the Government is doing is that instead of spending foreign exchange on importing of important machinery, they are importing luxury cars, cosmetics, etc. That is why our foreign exchange dries up. Therefore, though the purpose is very good but the purpose is not served.

With regard to smuggling, as I said earlier, originally the smuggling was only of gold. The smugglers used to bring gold and gold biscuits in this country from the Middle-East. East. Now it is not gold, it is extended to silver, it is extended to textiles, it is extended to electronics and various other articles. Now the smuggling activities are more of explosives. There is no article left behind by the smugglers now. For every article they are the subject matter of smuggling now.

In order not to make smuggling a lucrative business, the Government allowed to bring five kilograms of gold and 100 kilograms of silver. But we see that it is not at all effective. Why? As Mr. Mohan Singh said, the smugglers are resorting to some other methods. Instead of bringing 100 kgs. of silver, they bring ten kgs. of silver and 90 kgs. of gold. That is one aspect. The other aspect is that it is not encouraging because once the people bring gold or silver, they cannot keep it here. They are bringing it to sell it. Now, to sell it genuinely, they have to keep an account. That means they have to pay sales-tax also. If Rs. five lakhs worth of gold is sold, they have to pay sales-tax also on that. Now the people are afraid. But there is no proper solution for that. People who bring gold from the Middle-East are saying that Government has allowed us to bring five kgs. of gold and 100 kgs. of silver. We sell it to bring some more gold again. But if the Government imposes sales-tax on this, then there is no benefit. That is why they again indulge in smuggling activities. It is very convenient for them also because we know that in the Customs

Department, fifty per cent of the officials are corrupt. Particularly the big officers are most corrupt. So, with their contacts with the Customs officials, they can bring as much of gold and as much of silver as they want and do business here and make as much money as they want.

About the prevention of smuggling activities, some six months back I heard in my own place that the Customs Department seized brown sugar worth about Rs. four crore. After two weeks the papers wrote that there is no brown, only sugar is there. When it was caught, it was brown sugar but after two weeks it was only sugar. So, this is what is happening in our country. This happens because not only the Customs officials are corrupt but they are backed by the ruling party leaders also.

That is why this kind of illegal activities, this kind of smuggling activities take place in this country. Now the political parties are also being in launced by the smugglers. They amass wealth. No account of it is maintained. During the elections they liberally contribute their ill-gotten wealth to some political parties also so that they can have their representatives in Parliament and in Assemblies. That is going on. It is dangerous. If this kind of illegal activities of smuggling and other activities is allowed to go, then I fear that we may lose our freedom also in the future days.

So, the Government must take note of it. I want the Government to take note of it and do something. At least 50 per cent of the customs officials should be transferred. I think there is no provision of transfer. This Customs Department should be abolished and then fresh recruitment is to be made from the beginning. And then in that case only, if the Government is bold enough to come forward with some kind of legislation like this, we will be able to check and prevent the smuggling and conserve the foreign exchange also.

This is all I wanted to say.

[*Translation*]

SHRI BHAGWAN SHANKAR RAWAT (Agra): The Government is not only hand and glove with the smugglers, but also involved in smuggling. I, therefore, would like to state that unless the Government has the will power, the extension of period of this Act for three more

years will be of no avail. I would like to state that my predecessors have already stated many things here that Bombay has become the smugglers paradise these days. Half of the total smuggled goods in the country comes through Bombay. The remaining quantum of the smuggled goods comes through the borders of our neighbouring countries like Pakistan, Bangla desh, Nepal, Bhutan, and Myanmar (erstwhile Burma). Since the Government lacks will power and the borders are not sealed and as there is no proper checking at the borders, smuggling of goods is taking place a large scale. Due to lack of will-power of the Government, such incidents of smuggling are increasing continuously and the instances of taking effective steps under this Act are declining.

The second thing is that the staff and Officers deployed to check such activities are themselves involved in it. The Government is not taking stern action against them. As a result of this laxity, the explosives have been smuggled in to Bombay on a large scale. The incident of bomb blast in Bombay rocked the entire nation. It has disturbed the peace all over the country. But if the incident of Bombay bomb blast, Calcutta bomb blast or the latest incident at Rashtriya Swayam Sewak Sangh office at Madras—the very existence of the country is on danger. The hands of people indulged in smuggling have been revealed. These incidents have proved that huge quantity of fatal weapons and explosives are being smuggled in to the Country. The anti-smuggling force has proved unsuccessful. It is being done with the connivance of officers and staff of customs department.

At the same time, the number of cases lodged against smugglers is falling in proportion of the increasing number of the smuggling incident. Keeping in view the liberalised Gold Import policy of the Government, the smugglers have also changed their strategy. In the wake of this changed strategy, the import of narcotic drugs and fatal weapons is increasing very swiftly.

I am stating it with utmost responsibility that the persons associated with the Government of India itself are deceiving the Customs Department and are involved in smuggling activities. The Hindustan Machine Tools is a Public Sector Undertaking. Recently they had taken a decision to import watches from foreign countries. Sir, you will be taken aback that they did not import watches from foreign countries, they purchased watches through smugglers instead

and the label of import was pasted afterwards. They do not have any bills, or slips. But the country suffered a loss to the tune of Rs. 600 crore custom duty by harbouring these smugglers. When this case come to light, efforts were made to hush-up this matter.

The staff and officials who misappropriated custom duty to the tune of Rs. 600 crore on watches which were not actually imported. The watches were rather purchased from smugglers and sold as imported watches. These watches could be manufactured in India but it was not done. When complaints were lodged in this regard, the efforts were made to harass the petty officials who made the complaint. One such report can be cited is regard to the H.M.T. factory. In order to save a high ranking official the Chairman was made the scapegoat and transferred elsewhere and a conspiracy is being hatched to save other officials. It is being manipulated to hush up the entire episode. I would like to know as to how many officers were indulged in that case and other such incidents in which a large quantity of R.D.X. was imported which pushed the country at the verge of explosion. Why the Government not taking action against the guilty officers? As I stated this caused the loss of Rs. 600 crore and justice loving staff and officers are being harassed, they are being transferred so that they may not reveal the irregularities.

Mr. Deputy Speaker, Sir, I have some figures which I would like to put forth before this august house. On the basis of these figures I would like to state that the extension of the period of this Act for 3 more years has no justification. I do not understand on what grounds they are demanding its extension? In 1991, 622 kg of herion, 4413 k.g. of hashish were confiscated in India. In 1992 the quantity of confiscated heroin and hashish further increased. Moreover, the contraband goods recovered in 1992 was worth Rs. 502 crore and following the devaluation of rupee this amount should have been more. The contraband recovered in 1990 and 1991 was worth Rs. 760 crore and 774.8 crore respectively. I would like to know as to why the contraband recovered in 1992 were worth Rs. 502 against the corresponding figures of Rs. 760 and Rs. 774 in the years 1990 and 1991 respectively? Has India turned into smugglers paradise. Have the incidents of smuggling stopped?

Similarly, if we see the number of cases regarding narcotics and drugs, we will find the

the number of such cases in 1992 and 1990 were 2372 and 2513 respectively. Likewise the number of the cases of acquisition was 59270 in 1992, 61509 in 1991 and 73279 in 1990. I would like to know whether the smuggling activities are on the decline in the country? Is it the reason that the number of cases Confiscation are decreasing. The goods confiscated in 1992 were worth Rs. 39 crore and those confiscated in 1991 were worth Rs. 40 crore and worth Rs. 45 crore in 1990. Thus the apathetic attitude of the Customs Department is apparent. The number of persons arrested in this regard was 1805 in 1992, 2358 in 1991 and 3284 in 1990. After all why the arrests are not being made? Similarly there is laxity in the matter of cases where the crimes has proved and litigation is on. The number of such cases was 388 in 1992; 626 in 1991; 555 in 1990. I would like to know the justification of this Act. When it is not being implemented by the Government properly.

Today the drug-addiction is increasing very rapidly in the country. Two lakh drug-addicts are in Delhi itself. This is all because of increasing poverty, unemployment, illiteracy, economic crisis, mental tension and friction in family relations etc. Therefore, the society will have to think over wisely as to how narcotics and drugs can be contained.

So far as the checking of smuggling by the Border Security Forces is concerned, in reply to an Unstarred Question dated 29-4-1993, the Government has stated that the number of such lodged cases was 85 in 1990, 71 in 1991 and 65 in 1992. Same is the case in the matter of arms smuggling. The number of such registered cases was 108 in 1990; 97 in 1991 and 26 in 1992. The number of arms recovered was 371 in 1990; 502 in 1991 and only 105 in 1992. The recurring fall in the drug-trafficking has taken place due to efforts made to confiscate them.

Since this act is not being implemented properly and the entire country is in difficulty as a result thereof, I would like to know as to what the Government is upto? Had this Act been useful, the figures might have been different. Even in the year 1992 when the whole world was shocked, this Act proved futile. I therefore, would like to suggest that certain stringent provisions may be made in this Act. However, unless the Government cultivates its will power and resolves to eradicate smuggling by chalking out suitable action-plan, this Act will be of no use.

Because extending the period of this Act, the Government should reconsider its decision. An action plan should be made through which it should be enforced strictly. There are instances in the Customs Department where an officer has been awarded three times for the same case. In such an incident, an officer who has been entrusted with a particular task, is getting award three times and our authority is not looking into it. It requires extreme promptness. The existence of the country is in danger. Its internal security is in danger. This should be considered from all these angles.

With these words I conclude.

[English]

SHRI RAMESH CHIENNITHIALA (KOT-TAYAM): Mr. Chairman, Sir, I rise to support this Amendment Bill of the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974, which provides for preventive detention of persons in certain cases for the purposes of conservation and augmentation of foreign exchange and for the purpose of prevention of smuggling activities.

Sir, this is a small Amendment Bill and its scope is very limited. By this Amendment, the persons who are involved in the smuggling activities can be booked and without the approval of the Advisory Board they can be detained. Earlier they could be detained for three months, but now, not exceeding six months they can be kept under detention. The maximum period of detention was one year normally, but now under this provision it is two years.

Sir, I want to inform our hon. Minister that the Government was aware that this provision is going to come to an end before the 31st of July, 1993. The provision of issuing ordinances is in the hands of the Government, but issuing of regular ordinances will not help the parliamentary democracy.

(xx/1545/pk)

On 25th of July, they issued another ordinance for this. So the Government should have taken ample care and caution for introducing this Bill in the last Session itself because this is one of the most important Bills which is affecting our society. Today the smuggling activity is a social evil. It is affecting our economy. It is affecting our internal security.

The COFEPOSA Act which was passed by this august House in 1974 is a good measure and we can take stern measures against the smuggling activities. I am of the opinion that this Act should be given more teeth to book the culprits in order to prevent these illegal activities which are common all over the country. The ordinary law of our country is not at all sufficient for those habitual smugglers. As the other hon. Members have pointed out, there are certain vulnerable areas where we could see the reports of habitual smugglers carrying on the smuggling activities as normal things. There is nobody to check them. There are cases which are coming out in newspapers that custom officials and habitual smugglers are colluding each other and taking up this activity regularly without any fear.

My request to the hon. Minister is, before posting any official, especially in the airports, their previous record should be checked. Only honest officers should be posted. A lot of representations are coming. I know that the Minister is always under bit pressure and pull to appoint officers in the airports, from in the Customs Department. What is happening is, those people who have got dubious past records are posted in the important airports in the customs Department. By this, the habitual smugglers are getting more advantage and they are carrying these activities as normal one and getting a lot of money out of this.

Of course, this Bill is a welcome step but the point is, this should be implemented properly. Maximum damage is caused to the society by these smuggling activities. This is happening especially in vulnerable areas. In certain areas, because of these activities, even the indigenous and small industrialists are facing trouble. I am coming from a State where thousands of people are working in the Gulf countries. What is happening is from the Gulf countries, a lot of illegal smuggled goods are coming. Because of that, ordinary small scale industrialists who are producing goods in our own country are suffering a lot. They are not able to compete with foreign goods which are coming illegally. Moreover, it is a threat to our internal security. We can see it in Jammu and Kashmir and Punjab and in North eastern States. The menace of terrorists is increasing day by day. They are using all sophisticated weapons such as rockets and other weapons to create confusion and to carry out their terrorist activities? From across the border, all these ammunitions and weapons are

coming. This should be checked. Even though the Government is taking certain measures, to check all these activities by fencing of the border, regular patrolling and other measures but still these activities are carried out by these anti-socials and terrorists on regular basis.

About RDX explosives, it is causing concern to the whole House and the nation. This should be checked. Because of certain laxity in security system as well as loopholes in the Customs, it is coming to our country and a lot of incidents are taking place in the country. Smuggling of RDX is the main fear of the people now-a-days.

(yy/1550/vbr)

So, I want to request the hon. Minister to strengthen our Customs especially in the border areas of our country as well as in the air ports.

Another very important issue which I want to raise is the havalas transaction which is going on in our State. Those who are working in the Gulf countries, give money to somebody and they are coming with this money to our country and the transactions are going on. It is affecting our economy in a very bad way.

One other point is when those people who are working in the Gulf countries are coming to Bombay and Delhi airports, the Customs Officers are unnecessarily harassing the poor people. The habitual offenders are set free. They can carry out their activities freely. But poor people who are earning money in the Gulf countries are unnecessarily harassed, especially at the Bombay airport. I can tell you hundreds of stories of poor people working in the Gulf countries. They are coming to Bombay airport. They have to face all these problems and they are coming without luggage and other things. Even their passports are seized by the Customs Officers. If they complain to the Police Station and to the higher officials, they will not get any justice from these people.

Another important point is about opium. In the hilly areas of Kerala, hundreds of acres of ganja plantations are still there. They are requesting the Customs officials who say that they are sending regular teams. Patrolling is there in the border of Tamil Nadu and Kerala. Especially in Idikki district, hundreds of acres of plantations of ganja are still there. We make a representation. They will go there once in a

while. The ganja plantations are being set fire one day and the next day again, these plantations will start coming up. So, effective steps should be taken to destroy the ganja plantations. The Customs officials also have their own problems. Enough divisions are not created. Enough men are not there. There are very serious issues. Govt. should take effective steps in this regard.

I welcome the step taken by the new Minister. I congratulate him. He is very reluctant to post officers who have dubious character in the airports. I congratulate him on this. I think in future also he will continue to do like this.

I think that the Government should take adequate steps to strengthen the Customs especially in the aerodrome as well as in the coastal and border areas of our country.

I am of opinion that this COFEPOSA should give more provisions so that the habitual offenders can be severely punished and those activities can be curbed.

SHRI YAIMA SINGH YUMNAM (INNER MANIPUR): I rise to support the Bill.

Many hon. Members have suggested strengthening the check-posts at the coastal and vulnerable areas.

I am proposing for sanctioning of the check-posts in the North-Eastern region which are border areas, particularly in the State of Manipur bordering with Burma.

The House might be interested to know that Moreh is a small township at the border of the Manipur and Burma.

This Moreh becomes a paradise of smugglers. Through this route, many people can smuggle gold, silver, arms, explosives and other valuable goods. They even smuggle the black-pepper, rice etc. So, all these items are smuggled through this township of Moreh. Therefore, the people consider that this is a township which is a paradise of smugglers. It is very difficult to check the activities because, there is hardly any administration. Further, there is the feud between the Nagas and the Kukis. Because of the disruptions there, there is hardly any administration. The officers or the other administrative heads posted there are quite helpless. They are under the dictates of the underground armed persons. Taking

advantage of the situation, the smugglers can smuggle gold, silver, arms etc. It is doubtful that even the RDX explosive might have come through this route. So, I am proposing to the Government that either it should strengthen the check-post at Moreh or it should declare that the trade there is free so that the people on this side and that side can earn their livelihood through this and enjoy their life.

Sir, there is one important fact. In that area, the smugglers even utilise the vehicles which are having the same colours of the vehicles of the armed forces; they utilise the numbers of the armed forces, uniform etc. every day. With that advantage, they can smuggle very valuable goods like gold, silver also without any check. So, this is the trend of the smugglers now in that area.

I shall be very brief. I shall not take much time of the House. The proposal is for extending the period of three months to six months of the persons detained without obtaining the opinion of the Advisory Board constituted under the principal Act. But, I doubt whether the extension of the period will be helpful to them. Also, the period of extension by two years for smugglers who smuggle the explosives will not be very much helpful. So, I would like to suggest that in the North-Eastern Region, particularly in the border areas of Manipur bordering Myanmar, we have to strengthen the check-post there with the help of paramilitary forces. Otherwise, only the civil police and the Customs officers are quite helpless there. I do not think that mere extension of the period would be helpful. We cannot achieve good results in that area.

With these few words, I only suggest that we can have a free trade on the border area if we fail to check the smuggling of goods there so that the people can earn their livelihood through this trade and enjoy their life.

16.00 hrs.

SHRI SYED SHAHABUDDIN (KISHANGANJ): Mr. Chairman, Sir, I thank you for giving me an opportunity to make a few comments on this Bill which is indeed a technical Bill and, therefore, there is nothing in it which can be opposed.

I feel that the original Act itself needs to be reviewed. Section 9 of the Bill which is now being amended speaks in three places of very highly vulnerable to areas in the country.

1601 hrs.

(SHRIMATI MALINI BHATTACHRYA in the Chair)

Now it implies that smuggling or abetment of a smuggling or engaging in transporting or concealing or keeping smuggled goods invites penalties under Section 9 of this Act only if the smuggling takes place through or into the so-called very highly vulnerable area. I do not understand the distinction as to why this should be so. The act of smuggling, the abetment of a smuggling and the concealment of the smuggled goods or transportation of smuggled goods should invite the penalties under the Act or under this Section of the Act irrespective of where the smuggling took place or through what part it took place, which trajectory it took, which route it took, at which point it entered or went out of the country of India. This appears to me to be a very exceptional sort of situation which leaves a clear loophole for a person to stand up when you charge, and say "sorry, you have caught me in the wrong area, you have caught me in the area which might be vulnerable to smuggling like any coast or any border of India but it is not a highly vulnerable area. Therefore, I have not committed any crime". He can take such a plea before a court of law. That is a very absurd situation that a person who has been charged with is violating a law should take advantage of a phraseology in this Section in order to get scot-free. I do not know whether any intelligent smuggler has used this plea so far or not. It is a loophole which should be closed. (Interruptions) I think, the entire concept behind Section 9 needs to be reviewed. It is not merely a matter of extending it for another three years or covering a gap between the lapse of the deadline and the issue of an ordinance.

I will not go into the details. But COFEPOSA when it first came was presented to the country as a panacea against smuggling. I would like to have some data from the hon. Minister on the floor of the House as to the achievements under this Act for the last 19 years. How far in his view has COFEPOSA deterred smuggling or contained smuggling or restricted smuggling? I speak with the conviction that smuggling cannot really be completely eliminated so long as laws of supply and demand to govern it, so long as there are scarcities either artificial or natural which are sought to be exploited. Therefore, smuggling will go on but the content of smuggling will go on varying. Sometimes it used to be

textiles, sometimes it used to be electronic goods, sometimes it used to be watches, sometimes it used to be gold and silver and now it is drugs and explosives, whatever is in demand. After all, smuggler is a man in business to make a little money. Of course, it takes certain amount of daring to do so. He takes certain amount of risk also. All business have an element of risk. It is a risky business. Therefore, it will go on. You close one loophole another channel will be generated. But quite apart from that phenomenon, I would like to know whether the Government have you done really to go into the logistics of smuggling? There is no doubt in the mind of any enlightened person in this country that there is collusion, a nexus between the smugglers and the Customs Personnel.

There may be some honourable men in the Customs Department. I have no doubt about it. But by and large, smugglers and Customs Personnel work hand in hand irrespective of the party in power. How do you break this nexus? What administrative system do you apply?

The next point is there is also that collusion, I believe, between those who are supposed to guard our borders and the smugglers. I think there are such reports particularly about the BSF—I am sorry to say—having a clear hand not only in the smuggling of goods but also of men. Sometimes, they are also in high demand. There are borders across which men are smuggled to and from and in this, the BSF plays a big role. There is also a clear nexus between the local police operating in its territorial jurisdiction and the so-called smuggling phenomenon. Now, how are you going to break this and what have you done to break this? This is what I want to know. Thanks to Mr. Manmohan Singh and his new philosophy of free trade, free investment, free flow when we are entering an era of free trade, free commerce and free conversion of rupees. In this new era you, in fact, in a de-facto manner, legalise a large quantum of the goods in the name of smuggling and yet, you find that smuggling continues and will find another channel. Now, I would like to know from the Government whether they have looked at the phenomenon of smuggling and the impact that it is continuing to have in this new era governed by the new philosophy of free trade and free conversion.

Now, I would like to endorse the suggestion that had already been made that the arms of law must extend to catch the purchaser and the

seller. that is. the primary buyer, the secondary buyer and the distributor of smuggled goods. I have always this question in mind. I have never been to Palika Bazar. Madam, in my life although it is just a few yards from my house. But I am told that anything that you can think of is available there in broad day light. Now, do you have the power or can you question the seller as to the sources of those goods and if he cannot explain them, can you confiscate them? This is the point on which I would like the Minister to clarify to know. Smuggled goods are available in the open bazar and everywhere. So why is the law short-armed? Why cannot the law have longer arms? This is my question.

Now, I know that smuggler receive lot of patronage from some politicians. I will not go into it. It is an aspect of the larger question of corruption in politics. I would not like to name any particular individual. But there are clear cases which have been on record and there have been clear indications. I do not see why, when you are to bring about new disqualifications for election to the Legislatures, you do not include this also? Why do not you include that any person who has been publicly found to have a nexus with the smugglers cannot stand for election to any Legislature, whether central or otherwise? (Interruptions) I would say that without collusion with the security forces, the coast guards the BSF, the police machinery, the customs machinery, I do not think that smuggling on a large scale is possible. Government will have to do something more than merely come up with this Bill.

They have to prove themselves capable of action, implementation and perhaps that needs a degree of political will. Otherwise, you cannot control smuggling. Of course, let Dr. Manmohan Singh our Finance Minister may work from the other side, chipping, chipping and chipping and reducing what should be called 'smuggling' an extent that like in Pakistan, you can bring in anything and there is no such thing as smuggling! After all, there are other countries in the Gulf, which refuse even to admit the existence of the phenomenon of smuggling. They say it is free trade. Anybody can bring in anything, sell anything and take away anything and when we go to them and say, "Look, so and so is smuggling such and such things into our country". I know the stock reply. They say that as far as they are concerned, he has not committed any crime; it is perfectly legitimate and lawful for him to bring the goods and despatch the goods

that. After the goods goes then our territorial waters, where they go, how they go and to whom they simply do go and at what consideration they go, is none of their business as they do not take cognizance of the phenomenon of smuggling. Maybe, Dr. Singh is aiming at that regime for us also. After that, we shall need no COFEPOSA at all and the Minister need not come to this House with amendments. You shall be absolutely free to legalise all forms of smuggling as you have legalised all forms of corruption.

Therefore, Madam Chairperson, this Bill, which is of course a technical Bill and I see no reason to oppose it, still leaves me with this feeling that what is lacking is political will, what is needed is a clearer definition, what is necessary is more stringent administrative measures, before we can control all that we call 'smuggling'. This is all that I have to say. I have nothing further to say.

But I would very much like a clarification about the application of the offence only if it is committed through or into very highly vulnerable area. I also want some indication the Govt. gave on what you achieved under COFEPOSA during the last 19 years.

[Translation]

DR. RAMESH CHAND TOMAR (Hapur): Madam, Chairman, the amendments made in the COFEPOSA Act are not enough. The law was enacted in 1974, if it was implemented strictly by the Government, the cases of smuggling would have been reduced but such incidents have increased. I would like to know from the Minister the number of foreigners arrested and punished under this Act. Sir, till date there had been smuggling of gold and silver and the hon. Minister has given permission to import it for abolishing smuggling. But this policy has not been proved effective; as smuggling of gold and silver has not been stopped by this import.

Madam, a new dimension has been added in the field of smuggling. Till date smuggling was meant for earning economic profit but now through smuggling of RDX and other armaments, the security of the country is being attached. In the incidents of Bombay and Calcutta, property worth crores of rupees has been destroyed and hundred of people were killed, I would like to know the action taken by the Government in this case till date? As per my

information no charge sheet has yet been issued to anyone and the killers have not been caught. Thus smuggling is increasing more and more. The recent incident of Madras is one of its example. Efforts should be made to recover the total R.D.X. which came to India through smuggling.

Madam, with regard to the present amendment Bill brought for the purpose of amending COFEPOSA Act, I would like to say that the persons arrested under this Act should be sued and punished severely and smugglers found guilty of attacking the security of the country should be hanged publically so that the other people may also learn a lesson from it. I would like to point out that laws enacted by the Government are not implemented strictly. Everyone should be equal in the eyes of law whether he is government employee or officer, the guilty should be punished. I would like to know from the Government the action taken against the Excise Officer in Ratlam district in Madhya Pradesh, from whose residence foreign goods worth millions of rupees were recovered? Earlier there had been smuggling of gold and silver only but now India has become a centre for smuggling of narcotics. Every year narcotics worth rupees five thousand crores are smuggled from here. India has ten lakh victims of drug addict as my friend has pointed out that Delhi itself has two lakhs of them. In the field of narcotics, India has become a sandwich between the Golden triangle and the Golden crescent. The Golden triangle consists of Burma, Thailand and Laos, and Golden Crescent consists of the countries of Iran, Afghanistan and Pakistan. In these countries narcotics like heroine, opium and cocaine are grown and smuggled to Western countries through India. Arrangements should be made to stop it and for this purpose, the Government machinery should be made efficient. Such activities could not be stopped without an active Government machinery and patriotism.

I urge upon the hon. Minister that alongwith this Bill the camps for the Government officials, should be organised, so that they could put their utmost efforts to check smuggling.

SHRI DILEEP BHAI SANGHANI (Amereli) : Madam Chairman, who is listening to the hon. Member ?

[English]

THE MINISTER OF STATE IN THE MINISTRY OF WELFARE (SHRI K. V. THANGKABALU) : I am listening.

[Translation]

DR. RAMESH CHAND TOMAR : In the North East Regions of the country besides, the smuggling of gold, silver and narcotics, the smuggling of foodgrains is also going on. Foodgrains like wheat, rice, sugar and essential commodity like kerosene is being smuggled to Burma and Bangladesh. The Union Minister of Civil Supplies Shri A. K. Antony has convened a meeting of Ministers for Civil Supplies of the North-East regions in which officials from the Home Ministry were also present. In the meeting it was decided that the smuggling of foodgrains to Burma and Bangladesh will be stopped. I would like to know from the Minister about the progress in this case. The smuggling of foodgrains is still going on. I would like to urge upon the Government that some strict arrangements should be made to stop it.

I would like to suggest some points for the inclusion in this amendment Bill. The whole border area and internal airports like Calcutta and Bombay should be declared as highly vulnerable. Coastal guards should be given modern equipments like motorboards, long-range wireless for communication, high-power transmitters etc.

In the light of all these points, I urge upon the Government to bring a comprehensive Bill, in which there should be provision of severe punishment for the staff and officers involved in such activities.

SHRI SURYA NARAYAN YADAV (Sahasra) : Madam, Chairman, the whole country as well as a particular Ministry are involved in the issue being discussed here today. The Bills and laws are enacted and amended from time to time but the same are being violated too by this Ministry itself. For example, the way of postings of the Police Inspectors, Sub-Inspectors and Excise Officials is responsible for this corruption. Under this system, there is no use of enacting more laws, if these are not implemented strictly.

I belong to the border area. India gets the smuggled goods of Japan through Nepal which includes arms, gold, silver and explosives, but there is none to look into it. I appraise the Bill brought by you but assurance should also be given for their strict implementation. There is no use of enacting more laws because smuggling could be stopped only by strict implementation of these laws.

There is provision for giving awards to the people who help in arrest of the smugglers but no award has been given to Prof. Rangan who helped in the arrest of gold and silver smugglers in Delhi, officers have taken its credit. While taking risk to one's life if anyone helps in getting arrested of smugglers, he should be given award.

In the Excise department lower level staff posted at one particular place remains there continuously even for more than nine years, thus other officials feel disgusted and start helping the smugglers. Excise collectors have been posted in cities and they pay no heed to information given to them regarding smuggling or smugglers.

Madam, without consuming any more time I would like to say that along with the strict implementation of laws, officials should be supervised efficiently. Only then these laws could be made effective. While hoping that you will include the suggestions given by all the hon. members, I support this Bill.

SHRI RAMASHRAY PRASAD SINGH (Jahanabad): Mr. Speaker, Sir, many hon. Members have spoken on the amendment you have brought in 1993 to the Conservation of Foreign exchange and Prevention of smuggling Activities Act, 1974.

First of all, I would like to say that you have brought this amendment after a gap of 19 years. During this period you have come to know that smuggling of Gold and silver has been going on. But you have not tried to check it. You woke up only when the security of our country was at stake and you thought of this amendment which you have brought now. But this is not comprehensive and the people who are indulged in these activities are influential persons. It is very difficult to bring them to book.

No law can be enforced properly in the absence of political will power. Therefore, first of all there should be political will. One should have devotion towards one's country. Our country has a democratic set up where we have ruling party and opposition, but country is above all for both of them. The democratic set up can exist only if the country exists. The loss incurred and has been incurring due to smuggling has shattered our economy. The shattered economy has endangered the security of the country. How this danger originated when the Government claims that our officers are very vigilant in border areas?

Second thing I would like to say that for a long time we have been hearing that smugglers become millionaire over night. Ruling party also has its share in it. If it is not so, smuggling would have been eliminated much earlier. But until and unless ruling party and the Opposition are honest, any wrong thing can happen in this country. Honesty is the most important thing for the benefit of the country. If we are not honest, our cops and officers can also not be honest. When we monitor their functions, why don't we monitor our own deeds too? We should see that what we are doing for our country. There should be political will to implement the law. We have enacted several Acts in the country. We have an Act for children. It has also been amended, but it has not been implemented. Everyday we see that children work in the houses. Then what is the use of making such laws. When the security of our country is in danger, the law makers should implement the law strictly instead of simply creating terror by making laws. Today, we have heard one thing which we appreciate. Hon'ble Speaker has said to Paswan ji that it is they who are law makers and if they work in that manner what would be the importance of the law? If the law makers are not true to their profession then where the law will be implemented? So, that is what I would like to say that what we are discussing today, should not merely remain a discussion. The danger to the security of our country needs to be eliminated. It can only be eliminated when we are honest in our functioning and if we are honest our officers will be honest too. But if we are not honest today, this law will be of no use.

Therefore, we want to stress that our country is in danger, so we should implement this law honestly. Even if your own family is found involved in it, you should not hesitate a little in taking action against them as per the provisions of law. I conclude with this.

SHRI GIRDHARI LAL BHARGAVA (Jaipur): Mr. Speaker, Sir, first of all, I would like to welcome this bill, which the hon. Minister has brought. I submit that the period of this Act, which was going to expire on 31st July, 1993, is now being extended for another three years. But there are many lacunae in this Bill and if these are not removed, the extension of period will be a futile exercise. Nothing has been said about the utility of this law. On the one hand NDPC Act provides for 10 years imprisonment for a little irregularity committed by an ordinary farmer who cultivates opium

legally and on the other hand the Act provides only two years detention for the drug traffickers who are ruining the youths, society and the country. Such culprits are given king like treatment while in detention. Jail officials also become friendly with them and there also they succeed in flourishing their business. I mean to say that there should be separate provisions for economic offences and drug trafficking. We should differentiate between a smuggler and an economic offender. Our present law can be of some use of checking smuggling but it is not so effective in eliminating drug trafficking, which is an offence worse than dacoity. There should be some difference in regard to these two.

Today, smuggling is being done in a very planned manner in the guise of international cooperation. The consumption of narcotics is on increase in school, colleges and Jhuggies. It is the younger generation which is badly affected. Therefore, in my opinion there will be nothing wrong if at least death penalty is awarded to such offenders. I demand that the smuggling of narcotics may be separated from the category of economic offences and included in the category of heinous social crimes for which there may be provisions of rigorous punishment including capital punishment.

On the one side there is a golden triangle and on the other side there is golden crescent of Iran-Afghanistan-Pakistan. India is also connected with all this. More than 10 lakh people of this country are addicted to heroine and out of these 2 lakh persons are in Delhi itself. We should give a serious thought to all these things. Today, when the Government says that they have seized one kilo narcotics, it is said that it is worth one crore rupees!

In this connection, I am to state that as per the Government data the value of narcotics seized during 1991 is worth 22 crore rupees, but on the other hand the same Finance Minister had said while replying to a question on 1st March, 92 that total 5235 kg. narcotics was seized during 1991. It means that this scandal is bigger than the scandal of Harshad Mehta because where the remaining 5213 crore rupees out of 5235 crore rupees have gone? This type of international gang is strengthening. You should think over it.

It is good that modern instruments are being used along Western and Eastern Coasts to prevent the smuggling of silver and gold. But no

mentionable progress has been achieved in this regard. You have stated that smuggled goods worth 2300 crore rupees have been seized. It will prove dangerous in the near future.

I would like to cite an example of Rajasthan. There are Chittore and Jhalawar districts connected with Mandsur district of Madhya Pradesh. The opium worth Rs. 12 thousand crore was brought in there in 1990 where as in 1992 the opium worth Rs. 87 thousand crore was brought in. I mean to highlight the huge difference which was of Rs. 75 thousand crore. In this connection I have to say only this much that if you go on protecting the people belonging to your party, there can be no use of this law. In the Jhalawar district, which I have mentioned, there is a person named Man Singh who also fought the election last time on Congress ticket. His business in Bombay, which was nothing some years back, has flourished in a big way now-a-days. He deals in many things. If you don't take any action against him then I think nothing can be done in this direction.

Madam Chairman, today there is a news in the newspaper about confiscation of Doda worth one crore rupees and sealing of godown. This is your definition but it is worth Rs. 100 crores in international market. If you do not initiate a C.B.I. inquiry against Man Singh then you cannot restrict his activities. His three accomplices are roaming openly because they are getting your patronage. If you want to implement this law sincerely then you will have to go beyond party lines. With the prevalent traditions it is not going to solve the matter. The unfortunate thing is this that if he is traced out in Jhalawar, he migrates to Mandsaar and similarly if he comes in notice there he will shift to Rajasthan. The present position is this that the police cannot take any action in such a situation. If the people belonging to your party resort to such practices then it is not good. Therefore the case, which I have mentioned before you, should be investigated by the C.B.I. and leave no stone unturned even if any big leader of any party is found involved, he should not be spared. If you implement this Bill in true spirit then it will be useful to bring it otherwise not. No doubt you have brought this Bill in a good spirit but if there remains any loop-hole in it then there is no logic in bringing this Bill. Therefore, I urge you to consider this Bill and those political leaders who belong to the Congress party should be punished and their sealed godowns should be searched by the C.B.I. with this I conclude.

SHRI TEJ NARAYAN SINGH (Buxar) : Mr. Chairman, Sir, this is a very important bill and I support it. The amendment brought by the Government are just but I want to give stress upon one thing i.e. a number of laws are legislated daily and several amendments are also made therein but inspite of all these amendments and laws, this law is not being implemented. If this law is implemented in a proper way even without the amendments then I feel smuggling can be checked. When this law was brought in 1974 and thereafter some amendments were made therein, thereafter it has got every power to put a check on smuggling but today inspite of having all these powers we are crying out that this law is not sufficient. If we wish and law is strengthened no foreign item can be smuggled to our country. But our B.S.F. is deployed on borders in such a manner that it cannot guard our borders as a result of that AK47 and such explosive material which can explode buildings are smuggled into the country. Then we claim that we will put a check on it through the laws made in this respect. I have to state that merely making a law is not sufficient, the actual thing is to implement it.

There are a number of other laws in our country and you are also implementing them but they too are not beneficial. As per official data we have Heroin and Ganja in enormous quantities in our country and heroin is such a dangerous substance which makes human impotent. Your whole force is unable to catch a smuggler. Similar case is with Ganja. If the police catches some quantity of Ganja then as per the Government's orders the same is set afire but in fact in place of Ganja straw is set afire. Such is the State of affairs of your administration. I demand the Government that I support your idea of making amendments in the law but the law should be enforced in a proper manner so that this country may be saved. You made a law regarding Gold which have discouraged the Gold smuggling to some extent. But explosives are being smuggled into the country in huge quantities. We are here to pass the laws but these will be implemented by the B.S.F. personnel and others. This is their duty to check it.

Besides, you have made a provision of 2 year's imprisonment in it, I want that this period should be extended upto 7 years. I feel that more stringent punishment will discourage people to do such crimes. Therefore, I recommend that instead of 2 years imprisonment it should be

extended upto 7 years. I support your just idea behind this Bill but this aim can be fulfilled only when we enforce it in a proper manner. With this I conclude.

SHRI VIRENDRA SINGH (Mirzapur) : Madam Chairman, the Government has brought this Bill, which is being discussed in the house now and it is about making provisions regarding stringent punishment to the persons found involved in smuggling activities.

Just now, as Shri Tej Narayan Singhji has told that we do make laws but they are not being implemented. Now I do not hesitate to say that the laws are made by the Government and are also violated with the support of the Government only. The persons, sitting in the Government recommend the cases pertaining to the smugglers.

Madam, Chairman, any law should be implemented impartially. I want to request you to convey my humble urge to the hon. Minister and the Government that all laws should be in acted impartially.

Secondly, the tendency of smuggling of goods from one State to another is increasing. Although, smuggling is being done from foreign countries but it is also being done through boarding sea ports, airports, main railway stations and the villagers who carry essential commodities are arrested on the charges of smuggling. The farmers and labourers are arrested on such charges but on the other hand the influential persons if arrested get themselves released by their contacts. They do not bother for any sort of law. Therefore, I want to stress that law should be enforced equally on everybody. Be it a farmer, a labourer or a person belonging to the political circle if he is found involved in smuggling then he should be treated equally by the law of the land.

Besides, a check is also needed on inter State smuggling activities. For instance, as you know there is an opium factory in Gazipur. Ganja is smuggled here from Bihar and Heroin is smuggled into Bihar. I do not know the process of making Heroin from opium but this much I know that Gazipur has become a centre of smuggling of Heroin.

Madam, Chairman, the strange aspect of this episode is the persons arrested in this connection have relations with the political leaders of

repute, about which we come to know through the newspapers. They smuggle Heroin and Ganja from Gazipur and if arrested get themselves released. Therefore, I want to say that law should be equal for one and all. This Bill is a right step toward right direction and it should be enforced in a proper manner. With this I conclude.

[English]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHARA MURTHY) : Madam, this COFEPOSA Act enacted in 1974 provides for preventive detention of persons for the purpose of conservation of foreign exchange and augmentation of foreign exchange and for prevention of smuggling activities. Today we have come before this House, Madam, only with a limited amendment of Section 9(1) of the Act which provides that any person who smuggles or is likely to smuggle goods or abets or is likely to abet the smuggling of goods or engages or is likely to engage in transporting or concealing or keeping smuggled goods in highly vulnerable areas may be detained, and an order of detention was imposed up to the date of 31st July 1993, and a person may be detained without obtaining the permission or opinion of the Advisory Board for a period longer than three months, but not exceeding six months from the date of detention. The maximum period of detention specified under Section 10 of this Act in such cases is two years and that was in force up to 31st July 1993. However, with all the stringent measures of the government, the menace of smuggling is not totally wiped out. In Addition to this, the landing of RDX explosives and smuggling of arms which is a direct threat to the security of the nation is more a serious reason for extending this provision beyond 31st July 1993 for a period of three more years from this day because the President had to promulgate an Ordinance because the Parliament was not in session and the Ordinance was promulgated on 25th June 1993 and we have come before this House to replace this Ordinance.

I am highly thankful to the hon. Members who have participated in this discussion. They have given valuable suggestions and valuable comments for combating smuggling.

Madam, the Government, with all its seriousness, after the enactment of this Act, is putting all sincere efforts to fight this menace.

For example, the areas of smuggling were only gold and silver in the earlier days. Now, because of the policies of the Government and also because we have allowed legal import of gold and silver and since we have reduced the baggage of customs duty, the smuggling of these commodities has reduced and so to say, the profitability on smuggling has come down. Now, we have reached a very different and very serious situation in the entire country with the landing of RDX explosives and smuggling of arms and ammunitions. Even in this area, the Government has taken very stringent measures and we are proceeding against the culprits.

SHRI OSCAR FERNANDES (Udupi) : Madam, if the hon. Minister can yield for a minute I would say one thing. The hon. Minister has raised a very important issue of smuggling of arms. The Minister of State for Home Affairs is also sitting here. If both the Ministers put together can recover all the illegal arms that have already been smuggled into this country and also the country-made arms, it can make all the difference. They should do something about it.

SHRI M. V. CHANDRASHEKHARA MURTHY : Madam, consequent to the Bomay bomb blast, the Maharashtra police has arrested 142 persons from Bombay. Thane and Raigarh districts under TADA which is controlled by the Ministry of Home Affairs. They have arrested 95 person 12 Police personnel, 5 customs officers and 24 others are absconding. And we have also issued detention orders for seven hard-core smugglers under the COFEPOSA and the State Government has issued warrants against them, but they are still absconding.

Now, I would like to give the figures regarding various quantities of drugs seized during the past three years. In the year 1990, 2,114 kgs. of Opium, 39,090 kgs. of Ganja, 6,388 kgs. of Hashish, 2,193 kgs. of Heroin. Six kgs. of Morphine and 2,141 kgs. of Mandrax have been seized.

17.00 hrs.

In 1991, 2,145 kgs. of opium, 52,633 kgs. of Ganja, 4,413 kgs. of Hashish, 622 kgs. of heroin, 6 kgs. of morphine and 2,141 kgs. of mithaqualone have been seized. In 1992, 1,918 kgs. of opium, 63,438 kgs. of Ganja, 6,621 kgs. of Hashish, 1,151 kgs. of heroin, 35 kgs. of morphine, 7,475 kgs. of mithaqualone, have

been seized. In 1993, 226 kgs. of opium, 10923 kgs. of Ganja, 701 kgs. of hashish and 25 kgs. of heroin have been seized.

In addition to this, we have arrested even foreign nationals who are all involved in drug trafficking. In 1990, we have arrested 234 foreign nationals; in 1991, 91 foreign nationals and in 1992, 116 foreign nationals have been arrested. In 1993, 38 foreign nationals have been arrested so far.

Many hon. Members have participated and moved the Statutory Resolution and given amendments. Hon. Shri Ram Naik has given an amendment that 50 kms. should be extended to 100kms. Under the existing provisions of the COFEPOSA Act, there is an enabling clause, namely clause 5 which says :

“Such further or other Indian customs waters or inland area, not exceeding 100 kms. in width from any other coast or border of India or such other customs station vest with the Government.”

The Government can issue notification. Even the Government has issued notification recently in 1991. So, it is very difficult to agree with him on this point because that provision is already there in the existing Act.

He has raised one more point about the decreasing seizures. But with all stringent measures and the policy of the Government, seizures are decreased because smuggling activities are reduced. The Eastern coast has already been put in 1991 as a vulnerable area.

17.04 hrs.

(Mr. Deputy-speaker—in the Chair.)

Hon. Shri Mohan Singh has pointed out about smuggling of gold concealed under silver bar which was detected in the Airports of Trivandrum and Bombay. This information had been received by the Intelligence agencies and the field officers had been alerted and gold concealed under silver box was detected both at Bombay and Trivandrum airports.

He has made some allegation about the erstwhile Chairman of the Board, meeting the Customs officials. At present, I have no information. If the hon. Member has any specific information, if he can write to me, I can collect the information and give to the hon. Member.

He has made one more allegation that with the help of the Customs officials, the smuggling activity is being continued. I would like to inform this hon. House that even five Customs Officers were detained under preventive Detention Act who are engaged in such activities. Also the Government is making all sincere efforts to put an end to this menace and action will be taken against the officials when information is received regarding their unlawful activities. Even in Delhi, we have detained Customs officers under COFEPOSA.

Shri Bhagwan Shankar Rawat has pointed out that there is a declining trend in smuggling. To some extent, it is true. Because of the policies of the Government, because the Government have allowed import of gold and silver legally and profitability in smuggling has come down. That is why, even smuggling is reduced to some extent.

Hon. Member Shri Ramesh Chennithala has pointed out some problems in his own State about the growing of ganja. The machinery is already being strengthened and effective steps for the growth of these narcotics are being taken by the Department.

Hon. Member Shri Syed Shahabuddin has raised a very important point regarding highly vulnerable areas which are sensitive to the activities. Provision of Section 9 depends on the sensitivity and the vulnerability of the area and already there is the distinction between the detention for ordinary smuggling and smuggling in vulnerable areas. Section 3 of the COFEPOSA Act deals with this smuggling in ordinary areas and Even Shri Girdhari Lal Bhargava, Dr. Ramesh Chand Tomar and Shri Rajendra Agnihotri have given some amendments for circulation of this Bill.

The Bill seeks to replace the Ordinance. Under Article 123 of the Constitution, the Ordinance has to be replaced within six weeks from the start of the Session of the Parliament. Hence, it is not possible to accept this amendment. The amendment is dilatory in nature.

Sir, I once again appeal to the Mover of the Statutory Resolution and the hon. Members who have moved the amendments to kindly withdraw them and support the Bill.

Thank you.

SHRI RAMESH CHENNITHALA : Sir, the delay in settling the cases registered under COFEPOSA is giving an impression to the offenders that they can get away with it. So, I would like to know from the hon. Minister what are the steps he intends to take on this issue. This is a very major issue.

SHRI M. V. CHANDRASHEKHARA MURTHY : Sir, I do not agree with the hon. Member that there is inordinate delay in dealing with the COFEPOSA cases. Under the Preventive Detention Act, there is an Advisory Board. The Chairman is there. The Chairman is a sitting High Court Judge or a retired Judge. Only on their opinion we will proceed. For two years, we can detain a person.

[*Translation*]

SHRI MOHAN SINGH (Deoria) : Sir, I had raised the question whether gold concealed in silver was being smuggled into the country and the hon. Minister in his reply has admitted this fact. The other point I wanted to know that how much gold concealed in silver has been detected so far at the report of the Intelligence Agency. Besides, since the agency does not have the detective machine, how the matter was detected. These are the two points I want to get clarified.

[*English*]

SHRI M. V. CHANDRASHEKHARA MURTHY : As I have already pointed out, both in Bombay and Trivandrum Airports, nearly about 869 gold bars were detected which were concealed in silver bars. There is a mechanism even at the Customs airport and even at the Customs House to detect the gold concealed in silver bars because the density of gold is heavy. One can easily feel it. Also, we can drill the silver bar and we can detect it. The Intelligence Agency are working on this.

SHRI SYED SHAHABUDDIN : I would like to seek two brief clarifications from the hon. Minister. The first thing is I still do not see any rationale in classifying smuggling according to its route or according to the area in which it takes place. That classification, to

my mind, is quite irrational. After all, there is total freedom of movement within the country.

The second thing is that we have been harping upon the quantum of seizure. The quantum of seizure may have some correlation with the quantum of smuggling. But what, in the opinion of the hon. Minister, is the relationship because seizure is only the tip of the ice-berg. If you catch one pound, may be 10 pounds get in. What, in the views of the Government, is the relationship between the seizure of the smuggled goods and the actual quantum of the smuggling?

SHRI M. V. CHANDRASHEKHARA MURTHY : As I have already pointed out, there is a clear distinction under the Act itself. Section (3) deals with smuggling activities in the remaining areas. Section 9(1) deals with the smuggling activities in the highly vulnerable areas.

SHRI SYED SHAHABUDDIN : I know that. I am asking you why there is this classification?

SHRI M. V. CHANDRASHEKHARA MURTHY : I have come before this House only with a small amendment.

17.15 hrs.

**JOINT COMMITTEE ON CONSTITUTION
(EIGHTIETH AMENDMENT) BILL**

Motion to appoint Shri Indrajit Gupta to the said committee

[*English*]

SHRI PAWAN KUMAR BANSAL (Chandigarh) : I beg to move:

"That this House do appoint Shri Indrajit Gupta to the Joint Committee on the Constitution (Eightieth Amendment) Bill, 1993 *vice* Shri Bhogendra Jha resigned from the Committee."