

[Shri K.R. Natarajan]

efforts should be made to put it down. There cannot be any two opinions in this regard.

But it has been seen that while the notorious smugglers go scot free, their servants and carriers are detained and punished. There should be some powerful agency to find out the notorious criminals and smugglers; they should not be allowed to go scot free; they should be detained and punished.

Preventive detention is repugnant to the rule of law. That was condemned by the Congress party during the British days. But it becomes necessary under certain circumstances and it should be imposed on the smugglers. Here, if preventive detention is not resorted to, then the regular investigative agencies may not be able to collect the required evidence in order to get the offenders convicted before the court.

Then, in this amending Bill vulnerable area has been defined. Areas like Indo-Nepal area, Indo-Pakistan area and Indo-Tibetan area and some other areas may also be added in this explanation.

Anyhow, this is a very good amendment and it should be used only against the real smugglers. With these words, I support the Bill.

[*Translation*]

SHRI U.H. PATEL(Bulsar): Mr. Deputy Speaker, Sir, I wholeheartedly welcome the conservation of Foreign Exchange and Prevention of Smuggling Activities (Amendment) Bill. The increasing smuggling activities are ruining the economy of the country. It would have been better if a more comprehensive Bill had been brought to check smuggling.

The officers who work honestly to check smuggling should be given greater rewards. At the same time, senior and efficient officials should be posted in the areas where large scale smuggling takes place. These officers should also be provided with modern

equipments.

It is my submission that all the property of a person apprehended during smuggling activities should be confiscated and if the culprits are kingpins they should be shot because they are big enemies of the country, they are destroying the economy of the country. There should be more stringent provisions and the smugglers be given exemplary punishment to deter others from indulging in smuggling activities.

With these words I support the Bill.

The Lok Sabha adjourned for lunch till Fourteen of the cCock.

The Lok Sabha re-assembled after Lunch at six minutes past Fourteen of the Clock.

[MR. DEPUTY SPEAKER *in the Chair*]

CONSERVATION OF FOREIGN EXCHANGE AND PREVENTION OF SMUGGLING ACTIVITIES (AMENDMENT, BILL, -CONTD.

[*English*]

MR. DEPUTY SPEAKER: Shrimati Geeta Mukherjee.

SHRIMATI GEETA MUKHERJEE (Panskura): Sir, this Bill is not very comprehensive. The Act already provides for detention of a person upto two years. And this amendment is brought forward to continue the provisions of this section, for a further period of three years. This can be done even later on.

What is most interesting here is the Statement of Objects and Reasons. This statement of objects and reasons is really a mirror of the confusion that the present Government is undergoing at the moment. I, for myself, have never seen such a statement coming from the Government themselves. The reason given by the Government for extending the period is that "a comparative analysis of the figures in regard

to seizures of contraband goods effected in the said highly vulnerable areas during the last three years had revealed that the menace of smuggling has not abated in any way in the said areas" Please mark the words 'in any way'. But in the very statement of objects and reasons in the very next sentence it is stated, "The longer period of detention for a period of two years under this section has, however, proved to be a deterrent effect on these smugglers and this provision has also been effectively used in combating smuggling activities in these highly vulnerable areas." Have you ever seen such confusion? First it is said that during the last three years, smuggling did not come down in any way. And in the very next sentence it is stated that this provision has been effectively used. As I said just now, this is really a mirror to the grand confusion that the Government is in at the moment, with all those scandals pouring in.

I would like to know what really is the success of this COFEPOSA Act after it was brought in 1974. Not only are the smuggling activities on the increase, but big smugglers are seldom brought to book. This COFEPOSA Act was enacted ten years ago with such a great fanfare. But can the Minister give at least some substantial number of smuggling kingpin's name, who were arrested because of this Act? Is the situation such that the Government or the administration does not know who are the kingpins in smuggling? Some of the hon. members who spoke earlier mentioned many incidents and I have no time to repeat. But are you really in a position to convince us that this Act has helped you in curbing the smuggling activities? In my opinion it is of no help. I fully agree with my hon. friend Shri Amal Datta who said that this kind of preventive detention made the normal law and order machinery even less and less active. There is a very well formed and smooth link between the administrative machinery, the people in power, the smuggling ring and the election fund collecting racket. Therefore, I do not consider that this extension of two years period will be of any help, in any way in really countering smuggling activities. There are very many laws which are already existing. Who pre-

vents you to catch people by applying those laws? You are not putting any serious efforts to catch the smuggling kings. You are only catching those people who are carrying some contraband goods at the moment. If they are caught red handed, you catch them. Ordinary laws are there, under which you can punish them.

You said that this COFEPOSA has been brought to put down big people who are engaged in smuggling activities. That you never did. So, the intention of this COFEPOSA has been proved not bonafide. The smuggling activities have also proved that this COFEPOSA is not justified.

We are all really very much concerned about smuggling activities. The smuggling in narcotics is luring our younger generation. We are extremely worried about it. We also see that this kind of Bill-Preventive Detention or some such thing-is not going to improve the situation. There are enough legal provisions in your hands, in addition to this Preventive Detention Ac. If you cut out your links with the smuggling world and really catch the kingpins of smugglers, you can put them under rigorous imprisonment under your various laws. It was rightly said by Shri Rajhansji also, just now. For that we do not need this COFEPOSA.

Therefore, I do not think that a situation is justified for the extension of this Act. As a matter of principle, I cannot support this Preventive Detention Bill. I am sorry for that. For eradicating these activities-let alone its eradication-but even for putting down the smuggling activities, you have to use other weapons and you have to be much more determined in catching the kingpins, of smugglers, not the smugglers alone.

With these words, I am sorry, I am not in a position to support this Bill.

KUMARI MAMATA BANERJEE
(Jadavpur): You please allow me to speak for two minutes.

MR. DEPUTY SPEAKER: I have not received your name. You please sit down.

KUMARI MAMATA BANERJEE:
Madam, you please give me a few minutes to speak.

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SHEILA DIKSHIT):
Okay, You give her a few minutes.

MR. DEPUTY SPEAKER: Okay Kumari Mamata Banerjee.

[*Translation*]

KUMARI MAMATA BANERJEE: Sir, I wholeheartedly support the Conservation of Foreign Exchange and Prevention of Smuggling Activities (Amendment) Bill which has been brought forward by Shri Poojary. This measure is necessary to check smuggling and black money in the country. Although laws have been made to check smuggling activities, but the fact is that we have not been able to implement them properly.

Those who are accumulating black money and indulge in smuggling activities, can put the Government in trouble. These people have become so powerful that they can even run a parallel Government.

You have included the names of Gujarat, Kerala, Maharashtra, Tamil-Nadu, Goa, Daman and Diu in the Bill but you have not included in the list Indo-Bangladesh border, Indo-Pak border, Indo-Nepal border. Large quantities of Smuggling goods are brought into the country through these borders. We have to find out some method to check it.
(*Interruptions*)

The law is there for it. But we will have to see how far the law is working. The Government have the COFEPOSA and FERA with them. They have the law to book income tax evadors. But only the law will not do. We people should assist the Government in checking smuggling activities. This Bill has been brought to control the smuggled goods in the interest of country's economy. But there is one thing more. Customs Officers and smugglers are in connivance. I donot

say that all Customs Officers are honest or all Customs Officers are dishonest. It is also heard that a vicious circle is in operation. The unemployed youth, whose number is rising and who are frustrated, are being entrapped. They are being provided free board and lodging in countries like Bankok and Singapur and asked to bring some smuggled good on their return journey. They bribe the Customs Officers and get the goods released.

[*English*]

All Customs Officers are not dishonest, and all Customs Officers are not honest also.

[*Translation*]

I would like to say that the honest Customs Officers should be rewarded and dishonest punished. But, today, we find that in the banking sector people doing good work, detecting frauds are being punished. They do not get any reward. There is a lot of political involvement, you know it. Therefore, I would like to say that the Customs Officers who work honestly should be given incentive, they should be rewarded. The number of check posts in the country should also be increased. The Customs Officers and Administrative Officers posted at these check posts generally maintain good relations with the people indulging in smuggling activities and therefore, I support this Bill. You may make any amount of laws, but mere law making will not do. You must look into the implementation aspect of the law for the welfare and future progress of the country.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): Mr. Deputy Speaker, Sir: I am grateful to the hon. Members for having taken part in this debate, and giving very constructive suggestions. Some of the Members, particularly Mr. Vyas, Dr. Rajhans, Mr. Thampan Thomas, Mr. Panigrahi, Shrimati Geeta Mukherjee and Kumari Mamata Banerjee have given very good, constructive suggestions. At the same time, some of the Members

have also criticized the measure

It is not the case of the Government that Government was able to completely root out smuggling activities in the country. The point that has been made here is that we should be very firm, and stern action should be taken. Black-marketeers, smugglers and economic offenders have been running a parallel economy in the country, and they have become very powerful. So, we have to take action, particularly against the kingpins who are responsible for these clandestine activities. I fully agree with the hon. Members: here we have to take firm action. Whether Government was able to do it, and whether this measure is going to help authorities to take firm action against these smugglers, particularly the kingpins, is the question.

It has been stated that Government has completely failed. Whether the facts strengthen that contention, or whether this measure is going to fulfil its purpose, is what we have to see. In the year 1984, 2345 persons were arrested and 3065 people were arrested in 1985. In 1987, we have been able to arrest 1212 people upto June. In the year 1985, 2141 Persons were prosecuted. In the year 1986, 2587 people were prosecuted and 1483 people were prosecuted upto June, 1987.

In the year 1985, 805 people were convicted. In the year 1986, 871 people were convicted; in the year 1987 upto June 457 people were convicted.

760 people were detained in the year 1985; 812 people were detained in the year 1986; 441 people were detained upto June, 1987.

Another point has been made whether big people were apprehended and action has been taken against them. The contention that comes from the opposition member is that we have been able to catch only small people. The average value of per seizure in 1983 was Rs. 13951; now it has gone up to Rs. 49,695/- (*Interruptions*). There is some reason behind whatever we have stated. So

far as the contentions are concerned, we have taken action against big smugglers. All the names are not there. I will furnish these names to the hon. members who have taken part in this debate, because it is a big list and it is not a case that we have caught hold of only small people. It is your desire and also the desire of the government that we must go in for big people. A contention has been made by Shrimati Geeta Mukherjee and Shri Amal Datta that we should take firm action against the big people; an immediate action should be taken against them. Now this is a measure under COFEPOSA to take action against those big people who are behind these smuggling activities, who are trying to go away from the clutches of the law; and they do not show any link. In order to bring those people to book, we have to take action. Sometimes, these big smugglers are acting in such a way that they see that prosecution fails; even they are trying to win over witnesses. Now for taking immediate action, we should not wait for the normal law to take action against such people. Don't be under the impression that this is an action for prohibiting the action to be taken under the normal law; but apart from taking action under normal law, we are taking action under this law also to prevent, as a preventive measure, smuggling activities.

The hon. members mentioned that some deficiencies are there and that we should take firm action against these smugglers. We have given Powers to the State Governments.

The hon. member Shri Amal Datta and Shrimati Geeta Mukherjee have made a point stating that big people are not caught; there are deficiencies in the system, in the procedure. I would like to suggest to them that why can't their West Bengal Government detain big people? You can detain these smugglers. I am just asking. I will come to that. If you want, you can take action. If you feel that the Central Government is not effective, we are not preventing you from taking action. We say that you are very effective and if you feel that there is some deficiency, you can take action.

SHRI AMAL DATTA (Diamond Harbour): But this is under CEFEPASA.

SHRI JANARDHANA POOJARY: I have not interfered. I do not have the habit of interfering. I have the highest regard for you and you can raise this point at the end.

My point is very simple. If you feel that you are competent to deal with big smugglers, and they are a menace to the society, if you feel so, we have not prohibited you. You can definitely take action.

An hon. Member, Mr. Thampan Thomas has made a point. I agree with it. In Kerala recently, he mentioned that the Government has taken action. How, it has to be implemented, is a different matter. Still I appreciate that it is a good point. I will appreciate his suggestion. Whereas you say that you do not want to take action even when others are taking action., You do not want to spell out. Why do you not take action? Who prohibits you? After all, your intention is very good.

SHRI AMAL DATTA: I do not want to say anything.

SHRI JANARDHANA POOJARY: I do not say that you do not want any action to be taken. I just tell you, please do not criticise it is easy to criticise but difficult to take action. But here I request hon. Members from that side, that if you find that there are some actions to be taken to curb this smuggling activity, in the Indo-Bangla border area, I am requesting the Chief Minister of West Bengal also, to refer to this Act and take action. (*Interruptions*) Let us bring this menace to an end by taking proper action. (*Interruptions*) I am requesting Shri Amal Datta and Shrimati Geeta Mukherjee(*Interruptions*)

SHRI AMAL DATTA: You can tell me later.

SHRI JANARDHANA POOJARY: I will reply to you afterwards.

Sir, in this respect let us be frank, let us be very clear in our minds. Let us not have any

confusion. Let us say that the country wants serious action, stern action in this matter to root out the problem. Our hon. Members from this side, they have made it very clear that the sternest action should be taken. If it is required, you come up before the House with some amendment. We will support it. Some of the hon. Members from this side also have made this point. But only two members from West Bengal have criticised us. They criticise whatever we have to say. And when we say that there is already some increase in the figures, they say it is due to inflation.

SHRIMATI GEETA MUKHERJEE: That is true. That is the truth.

SHRI JANARDHANA POOJARY: Whenever you come with any concrete suggestion, with the highest regard to you, we will accept it and we will also take action on that. If some of the hon. Members have given some suggestions, I have already stated, that we will accept them. I have also said that I have already instructed our department to review them and also to take into consideration all those suggestions. We are going to examine the suggestions given by the hon. Members from this side and if it is required we will come with amendments also. This should be our intention and it is also everybody's intention. The main aim is to stop this menace and we have to root out these activities.

SHRI AMAL DATTA: What kind of smugglers have you in mind?

SHRI JANARDHANA POOJARY: I will tell you.

About the action to be taken some of the people have mentioned that some of the officers have colluded with these smugglers and some of the hon. Members have said, Shri Panigrahi and another hon. Member have particularly made a point, that whenever there is an efficient officer he should be rewarded and so far as inefficient corrupt officers are concerned, we should take stern action.

For the benefit of the hon. Members, I can tell that 17 Officers from the State and Public Undertakings were detailed under COFEPOSA and 15 Officers from the Customs & Excise were also detained under COFEPOSA. Our hon. Minister Shri P. Chidambaram has also taken action, through CBI, against those people who are living beyond their means. There also, we are not striking our responsibility. We are not going to spare any person.

Further, I may tell the hon. Members that if you got any information, you can pass on to us. We are not going to spare any person and on the contrary, we are going to give you twenty per cent of the seizure. If any person gives substantial information and if the seizure is to the extent of Rs. Ten crores.....

(Interruptions)

SHRI AMAL DATTA: He is asking the Members of Parliament to inform the Government.

MR. DEPUTY SPEAKER: He is saying, any person who has information can pass it on.

SHRI JANARDHANA POOJARY: I just tell you. If you do not want any reward, we do not give.

SHRI AMAL DATTA: If you say, any information you give, we will give you twenty per cent. What is this?

SHRI JANARDHANA POOJARY: I definitely tell you that it is the reward. It is a law.

MR. DEPUTY SPEAKER: Whether the Member is accepting the reward or not, it is left to the Member.

SHRI JANARDHANA POOJARY: Dat-taji. I tell you that when we want to raise some emoluments of the Members, you say, you do not want. But, everybody is taking. It is also that the country will be benefited. If they are giving some reliable information, reward is there and that procedure is there.

We have given rewards to the officers and even our Finance Ministers attended a function and gave the reward to the officers who have performed very well. Also the rewards have been given in cash to them.

Only one request to the hon. Members who have stated that there is money in the Swiss Bank to the tune of about Rs 1,300 crores. I do not know who has given this information. We do not have any objection. I have been hearing for the last six months regularly. Some of the hon. Members are making some points, even including the former Finance Minister. I am just giving you the challenge. If you have got any information Mr. Amal Datta and furnish to us and if we do not take any action, then you can criticise us. *(Interruptions)*

Without giving any information, do not go on criticising the Government. If you have got any names and any person's accounts in Swiss Bank, please tell us. We will take action. Do not go on criticising the Government. We are pursuing the matter. I give fifteen days time. Any Members from this House, including our opposition Members, including the leaders of the opposition any **other person can give the information.

MR. DEPUTY SPEAKER: I won't allow any names to go on record.

SHRI THAMPAN THOMAS (Mavelikara): The names of Win Chadha and Ajitab have been given.

(Interruptions)

SHRI JANARDHANA POOJARY: Mr. Thampan Thomas, I may tell you that I have received so many anonymous letters saying that some opposition Members are also not here—having accounts there. On the basis of anonymous letters, can I say that all the people are corrupt? You should be responsible. There should be prime facie case...*(Interruptions)*

SHRI THAMPAN THOMAS: You should make investigations. We accept the challenge.

SHRI JANARDHANA POOJARY: I am just requesting you that, after all, we are political people, today you are there, tomorrow you may be here, let us not give an impression in the country that all politicians are corrupt. We have got here the hon. veteran Member. Can anybody say that he is corrupt? Here there is another hon. Member. Can anybody say that he is corrupt? Let us not paint all the people with the same brush. I am just requesting you not to go on criticising. By this process, we are just belittling our own politicians and our own system. Do not do that. Let us take action against the black sheep, if there is any and whosoever he may be. Let us be very firm. Instead of saying all the time that Rs. 1300 crores or Rs. 5000 crores are there, let us sit together and find it out. I am making one more appeal. You kindly join the parliamentary committee....(*Interruptions*)

MR. DEPUTY-SPEAKER: Mr. Amal Datta, let him finish first, then you can say whatever you want to say.

SHRI AMAL DATTA: Has he got any power to find out whether any particular person x,y,z has got money in the Swiss banks? If he says so, then we can supply him the names. But let him say clearly and unequivocally here that he has got the power to find it out. The Government has taken a contrary position. If the Government has got the power, let him say so.

SHRI JANARDHANA POOJARY: The hon. Member has made a very pertinent point. He is a lawyer. I also belong to the same profession. He has stated that there is no power with the Government to get information from the Swiss banks. That is why, he does not want to give the names. (*Interruptions*) He is a responsible Member of Parliament. He says that if the power is given and if there is any method to find it out, he will be in a position to give the information. That is his case. I fully agree with him.

SHRI AMAL DATTA: I said that I would give the names.

SHRI JANARDHANA POOJARY: I fully agree with you. Now, what is the position? So far as the Government also is concerned, it is not easy to get the information. Nobody is in a position to get the information from the Swiss banks

SHRI THAMPAN THOMAS: There should be political will.

SHRI JANARDHANA POOJARY: I agree with you that the political will should be there. For that you, myself and everybody should sit together and find out how to get the information. Government is also trying to get it. For that purpose, Government also should have the power. Because of the Law of Secrecy that is prevailing there, they are not providing us information. So here also we are trying to find out some measures as to how to get over that law and get the information about the secret accounts. For that purpose, I am just requesting you, Mr. Amal Datta, to sit together. Let us be in that committee. You also join that committee. Shri Amal Datta, Shrimati Geeta Mukherjee, Prof. Madhu Dandavate are not small persons.

SHRI AMAL DATTA: How to find out? You must identify the machinery.

SHRI JANARDHANA POOJARY: How to find out, that is the question. That question has to be answered by the parliamentary committee. Let us sit together and find out the names of persons, whether from this side or that side or any side and then take action. That is the only request I am making. Let us work together. Let us take action against all economic offenders. Government will not spare any person. Government is committed to it. So far as the economic offenders are concerned, we will not spare any person. Prime Minister will not spare any person whether he is from this side, including Poojary. If Poojary is involved, he will not be spared by our hon. Prime Minister. That is why I am requesting you also that if Poojary is involved, you don't spare him also. With this request I am concluding this debate.

SHRI AMAL DATTA: Sir, when he writes to the film actors and actresses, only one person replies and he says that his entire expenditure was borne by *

MR. DEPUTY SPEAKER: No Don't bring the names. I am not allowing this to go on record. The question is:

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

The motion was adopted.

MR. DEPUTY SPEAKER: The House will now take up clause by clause consideration of the Bill.

MR. DEPUTY SPEAKER: Clauses 2 and 3. The question is:

"That Clauses 2 and 3 stand part of the Bill."

The motion was adopted.

Clauses 2 and 3 were added to the Bill.

MR. DEPUTY SPEAKER: The question is:

"That Clause 1, the Enacting Formula, and the Title stand part of the Bill."

The motion was adopted.

Clause 1, the Enacting Formula and the Title were added to the Bill.

MR. DEPUTY SPEAKER: The Minister may now move that the Bill be passed.

SHRI JANARDHANA POOJARY: Sir, I beg to move:

"That the Bill be passed."

Sir, with due respect to our hon. Member, I do not name any person... (*Interruptions*)

MR. DEPUTY SPEAKER: I cannot allow the names to go on record. I have already told this.

SHRI JANARDHANA POOJARY: If there is any *prima facie* evidence against any person, whether A or B or C, action will be taken against that person and no body will be spared.

MR. DEPUTY SPEAKER: The question is:

"That the Bill be passed."

The motion was adopted.

MR. DEPUTY SPEAKER: Now we will go to the next item-items No. 10 and 11 to be discussed together.

14.44 hrs.

STATUTORY RESOLUTION RE: DISAPPROVAL OF NATIONAL SECURITY (AMENDMENT) ODINANCE, 1987 AND NATIONAL SECURITY (AMENDMENT) BILL

[*English*]

MR. DEPUTY SPEAKER: Shri Basudeb Acharia-absent. Shri Somnath Chatterjee-absent.

SHRI AMAL DATTA (Diamond Harbour): Yes, I am here.

MR. DEPUTY SPEAKER: I called Mr. Chatterjee. I think you are not Mr. Chatterjee. You are telling other names but you are forgetting your own name. That is the problem I am finding now. I called Shri Somnath Chatterjee and you are saying, "I am here". What does it mean?

SHRI G. M. BANATWALLA (Ponnani): He is giving other names when he does not know his own name, Sir.