

derable discretion was called for on the part of the officers concerned with the conduct of the auctions and that the discretion vested in them had been exercised *bona fide* and with due care.

As follow-up action on the Report, investigations were initiated in respect of many of the purchasers of gold. In all 134 premises have been searched by the Income-tax Department *and prima facie* unaccounted assets worth about Rs. 1.7 crores have seized. Incriminating documents were also seized and are under scrutiny.

Similarly, the directorate of Revenue Intelligence and various Central Excise Collectorates conducted investigations in respect of transactions of gold dealers and certified goldsmiths concerned with the dealings with the gold acquired in the auctions. A total number of 55 gold dealers and 30 goldsmiths were arrested and 74 prosecution complaints have so far been filed.

Further investigations by the Income tax and Gold Control authorities are in progress.

The Government would also like to observe that apart from tracing violations of law, identification of motivating factors etc., for appropriate action, one of the major purposes of the enquiry was to draw lessons for the future. The Government consider that such an exercise should not be repeated.

12.40 hours.

[Mr. Deputy-speaker *in the chair*]

MR. DEPUTY-SPEAKER : Now, Mr. M. S. Sanjeevi Rao to make a statement on Measures to further accelerate the rapid development of Electronics.

(Interruptions)

MR. DEPUTY-SPEAKER : Hon. Members, it is a *Sau Motu* statement by the Government.

(Interruptions)

MR. DEPUTY-SPEAKER : You must hear me. No clarifications can be asked on this and I would request the hon. Members to give notice if they want.

DR. SUBRAMANIAM SWAMY : I gave notice this morning.

MR. DEPUTY-SPEAKER : You are doing it according to the rules, very good. I thank you. Please sit down.

(Interruptions)**

MR. DEPUTY-SPEAKER : I am not permitting you. Don't record any thing of what Mr. Vyas says.

Now Mr. Sanjeevi Rao.

12.45 hrs.

STATEMENT RE MEASURES TO FURTHER ACCELERATE THE RAPID DEVELOPMENT OF ELECTRONICS

THE DEPUTY MINISTER IN THE DEPARTMENT OF ELECTRONICS AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI M. S. SANJEEVI ROY) : I wish to place before the House information on a package of measures intended to facilitate the growth of the electronics industry in our country.

The emphasis of this package is on promotion rather than regulation. We propose to encourage enterprise, to reduce input costs and to quickly attain economies of scale.

The package of promotional measures will consist of a set of rationalised and liberalised policies with regard to licensing and creation of capacities; reduction in input cost to the industry through a rationalised duty structure, investments by Government units in critical and strategic areas such as Silicon, Microwave Tubes, Large Scale and Very Large Scale Integrated (LSI/VLSI) Circuits, R & D for Electronic Switching Systems (ESS), etc. It is

[shri M.S. Sanjeevi Rao]

also planned to use public sector units under the Department of Electronics and others to serve the Industry in a major way.

I am presenting before you a brief outline of some of the elements of this package. It may be noted that such a package has to react to the dynamism of the social and industrial scene in the country as well as that obtaining internationally. Therefore, these schemes may undergo changes in the course of their implementation.

Electronic Switching Systems-Development and Engineering Programme

The country is embarking on a major programme for manufacture of electronic exchanges or switching systems. We cannot remain with this technology for ever. Therefore, a proposal has been evolved to develop and productionise an advanced design of ESS, which is expected to be the base technology for future production. This project aims at development and prototype production of an Electronic Switching System of advanced design within a period of 3 years from the start.

LSI/VLSI Programme

The Semiconductor Complex Limited, an undertaking of the Department of Electronics, is launching this year, its production of LSI/VLSI Semiconductors 'chips' using contemporary technology. Further investments would be needed to increase the production and keep technology levels at the state-of-the-art. Various programmes, including setting up a centre of excellence to provide a major thrust in R&D on process technologies for such semiconductors, Computer-Aided Design (CAD) centres for LSI/VLSI design, microprocessor application development centres etc., have been proposed to ensure that we are self-reliant in this critical areas.

Materials

We have been paying special attention to the area of materials particularly silicon. Government have decided to

set up a National Silicon Facility to undertake stock-piling, production and R&D on all forms of silicon. Various technology development projects in the areas of gallium arsenide and related compounds copper-beryllium, silicon etc. have been funded.

Computers

Application of computation techniques are varied. The equipment, although shrinking in physical dimensions, is becoming more and more complex in terms of both hardware and software. While the mini-micro range are being produced in the country, we are giving special attention to microprocessor systems, specially adapted for educational use to bring in awareness among our students. The midi-maxi range of computers which can be economically produced only at one or two facilities, also is being given due attention and production of midi computers and peripherals is planned in the country. The Government is also setting up 'INDO-NET'—a network of computers systems—the first of its kind in India, to enable easy and meaningful use of computers by various organisations.

Social Electronics

Considerable attention would be paid to developing applications in agriculture, medicine and education, which are of direct relevance and particular importance to our country. The market for such applications is immense and this should lead to massive growth of the electronics industry.

The House is aware already of the Special Plan for expansion of TV coverage Satellite technology, V.C. Rs, microprocessor-based computeraided instruction systems and other electronic equipment offer use a unique opportunity to change the literacy and educational profile of the country.

Industrial Licensing Policies

In addition to the various projects to enhance technological levels, some of which I have mentioned, the Department has also been looking at various policy measures to provide rapid growth

of the industry. A policy decision has been taken that capacities in electronics should be governed by techno-economic considerations. Volume production at the most economic level, with contemporary technology, should be allowed in all sectors, except where specific reservations are made on special considerations. This principle has been applied in the industrial policy for Colour TV sets where it is stated that there shall be no upper limit on capacities; thus permitting and encouraging large scale production, so as to secure the benefits of economics of scale and also being able to provide a high quality product of an economic price, together with servicing and support facilities. In the Colour TV policy we have also discarded restrictions which are based on sectoral considerations; thus the large scale small scale, private sector, public sector, joint sector can all co-exist. This will also give an encouragement for rapid production of electronic items.

The consumer interest is being protected by ensuring that the TV sets produced are meeting a minimum specification and this will be tested by agencies of the Department of Electronics. Thus the consumer should be assured of a good quality set at the right price. Such policies will be introduced for other items—consumer and professional—so that large scale production with maximum participation by all sectors of industry, as appropriate, can grow. Easy availability of imported components, materials etc. is also of prime importance, and the Department is taking steps to ensure that these are made available from local sources where applicable.

Fiscal Measures

In order that these plans can bear fruit and can generate adequate response from investors, Government have decided to rationalise fiscal policies relating to the electronic industry. This policy aims at reducing the input cost to the maximum and also to infuse a controlled amount of competition to the industry, so that the benefits are passed on to the

ultimate consumer and the price of electronic equipment to the end-user is reduced considerably.

The policy has been designed to provide raw material and manufacturing equipment at the lowest cost. The component industry, which is vital to the growth of electronics, will benefit immensely from these measures. These components are used by the equipment manufacturers who thus will be provided with inputs at considerably lower costs. At the same time, assemblies and sub-assemblies will be available at a nominally higher cost. Imports of computer systems and other finished equipment are being permitted selectively. The duty elements for such items have also been rationalised to achieve a two-fold objective of lower input costs to the end-user and to infuse healthy competition for the manufacturers. Some benefits have been given already in previous budgets and duties reduced. Marginal upward adjustments in duties and taxes have been made in the interest of higher resource mobilisation in recent times. Thereby, the effective rates have increased from those originally intended to be applicable. Taking these into account and to give a major thrust, the Government has worked out a new package of customs duties and excise duties and depreciation rates, which means a significant reduction in the duty rates in keeping with the rationalised structure mentioned earlier.

Details of the revised duty rates—customs and excise—are being notified by the Ministry of Finance.

The above incentives and programmes should lead to a rapid and healthy growth of the electronics industry in our country in a self-reliant viable manner, so that it can add to our GNP, employment, technological capability and play a meaningful and appropriate role in the development of the country.

SHRI KRISHNA CHANDER HALDER (Durgapur) : Sir, the House would like to...

MR. DEPUTY-SPEAKER : No, Mr. Halder. I have gone to the next item.

(Interruptions)**

MR. DEPUTY-SPEAKER : Don't record whatever Mr. Halder says,

(Interruptions)

MR. DEPUTY-SPEAKER : I may request the Minister to use his electronic methods to shorten his statement.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

Reported Large-Scale Infiltration Of Pakistani Nationals Into Kutch In North Gujarat And In Other Parts Of The Country.

श्री जयपाल सिंह कश्यप (ग्रावला) : उपाध्यक्ष महोदय, मैं आपकी आज्ञा से निम्नलिखित लोक महत्व के विषय की और गृह मन्त्री का ध्यान दिलाता हूँ और प्रार्थना करता हूँ कि वे इस बारे में वक्तव्य दें : "उत्तर गुजरात के सीमावर्ती कच्छ जिले में तथा देश के विभिन्न भागों में पाकिस्तानी राष्ट्रियों की बड़े पैमाने पर कथित घुसपैठ से उत्पन्न स्थिति और इस सम्बन्ध में सरकार द्वारा की गई कार्यवाही।"

THE MINISTER OF HOME AFFAIRS (SHRI P.C. SETHI) : Sir, Gujarat-Pakistan border covers a length of 512 Kms in which there are 21 border out-posts of the Border Security Force for checking illegal entry into India. There is a proposal to further strengthen vigilance by establishing a few more border out-posts of the B.S.F. During 1983 (upto June), the B.S.F. apprehended 14 Pak nationals on Kutch-Pakistan border who were found crossing the border illegally. Action is being taken against them by local authorities under the law; In addition, local civil and armed police is also deployed.

Government have no information

about any recent large scale infiltration by Pakistani nationals into any part of the country along the Indo-Pakistan border including the border district of Kutch (Gujarat). However, constant vigilance all along the international border is being maintained.

श्री जयपाल सिंह कश्यप : माननीय उपाध्यक्ष जी, माननीय गृह मन्त्री जी ने जो विवरण दिया है, मालूम होता है कि देश की सुरक्षा और सैनिक दृष्टि से जो बहुत ही महत्वपूर्ण भाग है कच्छ, गुजरात का और इस समय देश की जो समस्याएँ हैं उनको ध्यान में रखते हुए, जितनी गम्भीरता से सारा विवरण आना चाहिये था उतनी गम्भीरता से इसको लिया नहीं गया है। यहां पर जो घुसपैठिए आते हैं, इस समय देश में कितने घुसपैठिए हैं, इसकी सरकार को कोई जानकारी नहीं है। बार-बार यह प्रश्न उठता है, सरकार की ओर से भी कहा जाता है और समाचार-पत्रों में भी आ रहा है कि देश के बहुत से भागों में पाकिस्तान के घुसपैठिए आ रहे हैं और वे ऐसी स्थिति पैदा कर रहे हैं जो इस देश की सुरक्षा और ला एण्ड आइडर और देश के साम्प्रदायिक सद्भाव के लिए घातक है। जब तक उनके सम्बन्ध में सरकार को पूरी जानकारी न हो तब तक न तो उसको रोका जा सकता है और न इस बारे में कोई उचित व्यवस्था की जा सकती है। हिन्दुस्तान पाकिस्तान के बार्डर कच्छ क्षेत्र, जहाँ से घुसपैठिए आते हैं, वहाँ पर स्मगलिंग होती है। हमारे देश से बहुत सी आवश्यक वस्तुएं जैसे घी, चीनी इत्यादि इधर से उधर चली जाती हैं। इसके अलावा कुछ घुसपैठिए चोरी की नीयत से भी आते हैं, वे हमारे यहाँ से जानवरों को खोलकर ले जाते हैं, घरों का सामान ले जाते हैं।

**Not recorded.