

[**श्री शिव चन्द्र झा**]

मैं कहना चाहता हूँ कि इस फंड को बढ़ाने की जरूरत नहीं है। यह निर्विवाद हो गया है कि देश में 500 करोड़ रु० कांस्पिकुअस कंजमन में खर्च होता है, 200 से 300 करोड़ रु० टक्स में जाता है। साथ ही ग्रीर भी बहुत सी फजूलखर्ची होती है। यदि इस को रोका जाय तो वावजूद ऐनुअल बजट के बढ़ने के कंट्रिजेंसी फंड को बढ़ाने की जरूरत नहीं पड़ेगी। डेफिसिट फाइनेन्सिंग के जरिये, ग्रीर दूसरे जरियों से सरकार पैसा बढ़ा देती है, मुद्रा बढ़ा देती है, लेकिन इस विधेयक के माध्यम से ग्रीर भी घनी लेने का रास्ता खोलने की कोई जरूरत नहीं है। उस की सब से पहले टैक्स एवेज़न को रोकना चाहिए।

इन शब्दों के साथ मैं इस विधेयक का विरोध करता हूँ।

**SHRI P. C. SETHI**: The hon. Member is going into the merits of the question as to whether the amount can be raised or not. He has not raised any constitutional objection.

**MR. SPEAKER**: The question is—

“That leave be granted to introduce a Bill to amend the Contingency Fund of India Act, 1950”.

*The motion was adopted.*

**SHRI P. C. SETHI**: I introduce the Bill.

12-42 Hrs.

STATUTORY RESOLUTION, RE.  
FOREIGN EXCHANGE REGU-  
LATION (AMENDMENT) ORDI-  
NANCE

AND

FOREIGN EXCHANGE REGULA-  
TION (AMENDMENT) BILL—*contd.*

**MR. SPEAKER**: The House will now take up further consideration

of the following motion moved by Shri P. C. Sethi on the 18th December, 1969, namely:—

“That the B:1 further to amend the Foreign Exchange Regulation Act, 1947, be taken into consideration”.

Was anybody on his legs? Shri Lobo Prabhu was wanting to speak but I find that he is going away.

**SHRI SURENDRANATH DWI-  
VEDY** (Kendrapara): May we know how much time is left for the Bill?

**MR. SPEAKER**: Half an hour has been taken and the balance is about 2 hours and 25 minutes. If the Bill can be finished earlier, think it would be good.

**SHRI S. M. BANERJEE** (Kampur): We have not spoken at all.

**MR. SPEAKER**: He will get his chance to speak.

I had been asking whether anybody was going to speak. Even Shri Lobo Prabhu was about to go away and I had to call him while he was going.

**SHRI S. M. BANERJEE**: All right, let him speak. He is senior in age.

**SHRI LOBO PRABHU** (Udipi): I thank Shri S. M. Banerjee for this.

This Bill has to be seen in the context of our position in respect of foreign exchange. At the time of Independence we were fortunate enough to have an accumulation of Rs. 1,625 crores of foreign exchange. This year, fortunately, there has been a rise in our foreign exchange figure, which is Rs. 641 crores. If we add the amount that we can expect to get from SDR it will be increased by Rs. 270 crores.

In one way, the hon. Minister has reason to be gratified that for the first time after many long years, the foreign exchange position is satisfactory. All the same. Government should be aware that a change is taking place and the rosy expectations of yesterday are changing. There has been a fall in our exports, and instead of realising 7·2 per cent. increase during the current year, we are at present working only on 1·5 per cent. I am afraid, that it is not possible to be optimistic about our exports, because with our rise in prices and our growing internal market and with the reduction of prices abroad, these three factors would make the future of our exports a very doubtful one. The position is further complicated by the fact that we are running short of raw materials like steel which will affect the orders placed for our exports. The Minister should therefore not allow himself to be subjected to a sense of complacency. Even foreign exchange as it is has many loopholes and many abuses which were the subject of comment by the Estimates Committee and the Administrative Reforms Commission.

Before I proceed further, I submit that we have a lurid picture of what is happening in respect of our foreign exchange. About a year ago, one Mr. Nanumal Poonjaji Shah was arrested in Bombay with 14 accomplices for being involved in foreign exchange racket of Rs. 40 crores. Mr. Shah happens to have been photographed with the Chief Minister of Rajasthan, Mr. Sukhadia. It does not do much good to our Chief Ministers that one Chief Minister should consort with those who are concerned with probably a world record in the evasion of foreign exchange. The hon. Minister may say that Mr. Sukhadia's appearance in the photograph was accidental or

anything of that kind. But the fact remains that no steps have yet been taken against Mr. Shah. On the other hand, he has been having this accumulation. We had also a case where Rs. 1·5 lakhs of foreign exchange was caught in post in the month of August. Messrs. Printers' House in Delhi was raided for foreign exchange, and then we had that King Charles's head, namely Aminchand Pyarelals coming up again on the question of foreign exchange. But this is not all. We have got a basic running source of exchange *via* the foreign Embassies. We had recently the information about the collapse of the building in Trivandrum. But that is not one instance. The Embassies are involved in passing on a lot of foreign exchange to the country. In this matter, no one is clear about the exact position. We heard the other day Shri Umanath accusing the Hind Mazdoor Sabha of being raided for having 50,000 dollars in its possession. This picture indicates firstly that our foreign exchange mechanism is not satisfactory and secondly that our staff is not sufficiently vigilant.

Against these enormous figures, and Rs. 40 crores in one case alone, what has the Enforcement Branch been able to achieve? I was a member of the Estimates Committee which considered foreign exchange and we pointed that over a course of ten years, the foreign exchange which was repatriated was only in the tune of Rs. 2·5 crores. We pointed out that the foreign exchange involved in all the cases in the last year was only Rs. 6·08 crores; so, there is no doubt that there has been lapse of vigilance on the part of the Enforcement Branch, and a sense of complacency on the part of Government which is not fair to this country, because foreign exchange

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is most precious especially at this time when there is a possibility of a fall in our exports.

The causes of this state of things have been assessed by more than one committee. I had mentioned the Estimates Committee in this connection, and the Estimates Committee has found that in spite of all its identification of these cases, Government seem to be quite indifferent in regard to their proposals. The Committee have remarked that although they pressed for the appointment of a committee to suggest plugging of the loopholes, Government have not agreed to it for reasons which the Committee have not accepted. The first excuse Government gave was that the ARC was seized of this subject and therefore another committee was unnecessary. When the Estimates Committee pointed out that the ARC was not concerned with the 101 objections or loopholes pointed out by the Committee, Government again tarried and has not replied that such a committee should not be appointed.

Secondly the Committee pointed out that the action to be taken against the offenders was not serious enough. Even Pakistan has enhanced its punishment while we seem to be content with some kind of leniency to these offenders. It does not redound to Government's credit that it should be behind Pakistan in punishing offences like this.

Then the Committee recommended that there should be publicity given to offenders of foreign exchange regulations so that the public know who are they so that they can be treated as they should be. Government's reply was that rules were going to be framed. It is now four years, the Committee remarks, and still no rules have so far been framed.

The country no doubt would regard such an attitude on the part of Government as one which encourages this kind of breaches of foreign exchange regulations.

Then there are reasons for the foreign exchange shortage which Government have so far not considered. One is that our public sector enterprises accumulate inventories costing foreign exchange which are not necessary. In the last budget, it was disclosed that the Army alone had Rs. 700 crores worth of inventories for which there was no immediate use. Is this the way to use our scarce foreign exchange? The Finance Ministry perhaps has no direct responsibility for inventories. But when reports like this are available, it can check these inventories.

The second reason is that our prices are too high, more than double the world prices, which make it impossible for our exports to compete.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI): With all due respect to the hon. member, may I point that we are considering a limited Bill?

SHRI LOBO PRABHU: I am coming to the Bill after giving the background I thought I should give a picture of our foreign exchange position.

The problem of inflation is a problem which comes in nearly every subject that comes before the House. Somehow inflation has been so long with us that we are no longer concerned about it. We have accepted it as practically a way of life, certainly a way of government. Should not the Ministry on an occasion like this consider what we can do about it. Yesterday the Minister of Food was not able to satisfy us when it was urged

that zonal controls should be given up, that prices throughout the country should be equalised so that inflation would be reduced. Has the Finance Ministry no responsibility for other Ministries which allow these causes of inflation to go on? Inflation is the root cause of smuggling. This country is a paradise for smugglers. It has been estimated that investment in smuggling is so high that motor boats are engaged and there are regular wireless connections between Bombay and Kuwait and Dubai. I have raised this point again and again. I would like the Minister who came with stringent measures to say to what extent they have reduced smuggling and the breach in foreign exchange closed.

Then we have the question of repatriation of Indian money earned abroad. It is a fortunate circumstance that our Indians have been earning considerable amounts of money but are reluctant to send it directly because the exchange value offered by Government is almost half of that offered by smugglers and other dealers in foreign exchange in other countries. Our banks are not being sufficiently co-operative in collecting these amounts from others. This is because of the difference in the value of our currency. I have pointed that the deficiency in the value of our currency in the international market is due to the fact that there is a hunger for gold on our side while there is a hunger for our silver abroad. On the last occasion I had pointed out that somehow we must devise a system by which we can get gold in exchange for our silver on an official basis so that this demand for our gold abroad for smuggling is reduced. I would like him to say if he has made any progress in this direction since he made a promise

that the matter was being examined. This is a very important matter.

Lastly, there is the question of our capacity to make the best use of our products. Here, although Shri Banerjee would in due course contradict me, I would say Government are restraining production in the country by the controls and taxes they impose. We have all the labour in the world, an idle population; according to Government's own figures, it is 15 million, and according to others' calculations, it is 70 million. When you have the population, when you have the raw material, when you have the idle capacity, why do you come into the field and stop production by your laws, threats, propaganda and everything against investment. The need of the hour is investment; if we have investment, we shall have enough exports to earn foreign exchange to remove the shortage of foreign exchange we now suffer from.

13 Hrs.

MR. DEPUTY SPEAKER : in the Chair.

SHRI S. M. BANERJEE (Kanpur) : I have no hesitation in supporting this piece of legislation. I have gone through the statement of objects and reasons. I find this Bill has been brought with a view to prevent under-invoicing. It was necessary after the judgment of the Supreme Court in *McLeod Co. vs Union of India*.

They were fined Rs. 20 lakhs and ultimately in appeal I think it was lessened, but that is a different matter. Under-invoicing has become the order of the day. All those who are engaged in the jute industry are doing it. They are conserving their foreign exchange in foreign banks. I would like to know what arrangements have been made to check or seize the foreign accounts,

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particularly those in some of the Swiss banks. The former Finance Minister had stated that steps were being taken with the help of the Reserve Bank to unearth some accounts kept by Indian citizens abroad, in Swiss banks, but we were not able to do it because they keep the accounts by numbers and do not divulge the names. It will be a tragedy indeed if these persons who conserve foreign exchange by under-invoicing are allowed to have their accounts in Swiss banks. I would like to know whether any steps have been taken, and if so, what they have brought any fruitful results.

Recently the young and bold officers of this Directorate were asked to raid the Birla concerns. They had to take the help of the Customs and other authorities because these officers are less in number. Whether it is the officers or Class III staff, they are much less than required in this Directorate, and it is a tragedy that though the foreign exchange violation cases have increased by 50 per cent from 1962, the number of staff is what it was in 1963 or 1964. They are also suffering from stagnation as there are no channels of promotion. The pay of the officers in this Directorate is less than the pay of those in the Customs doing the same work. It is high time the hon. Minister took note of it. If he wants these young and bold officers of integrity to function effectively, he has to raise their pay and give them proper promotion avenues. Especially in places like Calcutta from where they have to safeguard the interests of Government in Andamans and Nicobar also, the staff is very insufficient. The hon. Minister should see that something is done in the direction of rectifying the injustices done to these officers.

By this Bill we are trying to check or minimise under-invoicing and I welcome

it, but what is happening is that senior officers are violating the foreign exchange regulations and rules. I would like to invite his attention to a newsitem in the *Patriot* recently about contraband coming through postal bags. It reads:

“On 13th November 1969 an Air Mail bag with double label addressed to the P. & T. Directorate from Tokyo was opened at the Delhi Air Port Sorting Office by mistake as normally such bags with registered label are not opened. A cigarette case (999) and a small attache case containing gold and 16 watches fell out. The bag was closed without examining further contents and sent to Foreign Post for examination of Customs authority.

“As the contraband articles belonged to a senior P. & T. Officer,.....

I speak subject to correction, but I am told that this particular officer was an ex-Director General of P. & T.—

“.. the local P. & T. boss got so much annoyed that he has complained against the Custom Inspector, Shri Chadelkar”.

The officer who did his job and opened the bags and found 16 watches and gold was taken to task by the postal authorities.

“A senior Finance Ministry official who is on deputation to the P. & T. Department is reported to be involved. It is learnt that 10—12 more bags are still lying with customs and some more bags are expected through sea mail.”

This is a sad commentary on the honesty and integrity of some of the senior officials. I wish this news is wrong

but I have got proof in my possession, certain documents which I can lay on the Table of the House, showing how surreptitiously these bags were taken out and the customs officers were compelled to obey by the senior postal authority. If this news is correct, if this particular senior officer of the P. & T. Directorate and this gentleman of the Finance Ministry who is on deputation to the P. & T. directorate are involved in this, serious action should be taken. We expect the custodians of authority to behave better, and I hope this will not be hushed up.

“Senior P. & T. officers went to Tokyo in the beginning of October to attend the Universal Postal Union Conference. The Japanese postal authority undertook to send free of charge their documents and other belongings through postal bags. The P. & T. officers have utilised this facility to bring contraband with the hope of avoiding customs. But for the mistake of a Class IV official ..”

I would like the hon. Minister to make a reference to it when he replies.

Is this Bill going to stop or minimise under-invoicing? Unless there is fear in the minds of the business houses, in jute or tea or anything else, who are exporting that their accounts kept in Swiss banks by numbers and not by names can also be unearthed, nothing is going to happen. Even the refugees from Pakistan are harassed under this Act. I do not want to mention the particular section of the Act, I would like to mention it when the clause by clause consideration starts. Therefore, I would request him to look into this.

When the Birla organisations like Hind Motors were being raided, there

was a news item that before the raids started the Birlas knew that this was going to happen. I do not cast any aspersion on these officers for whom I have the greatest regard but who was the man concerned who informed them in advance? What is the outcome of the raids? Have they been prosecuted or not? The Bajorias and Sahu Jains got a verdict from the Supreme Court, but still we did something in their case, but what is going to happen in this Birla case? This is the test before the House. It is for the Finance Minister to issue instructions that wherever such raids take place, the officers will be given full protection. Otherwise, what can these officers do? I would like to know whether the investigations are going on, whether prosecutions have been launched, and if any prosecution has been launched, what is the specific charge against these Birla concerns.

As this Bill is for the purpose of plugging loopholes, I would like to know from the hon. Minister how many cases of under-invoicing have been brought to his notice. It is only in the jute or the tea industry? Is it not a fact that simply to get expert incentive some people are sending some consignments marked as certain goods, while really the consignments do not contain those goods. I would request him to look into it in the larger interests of this country. This Directorate has done a very good job. They risk their lives, they were threatened. They were trying to blackmail them and bribe them, but they did not accept any bribe. I must thank those officers of the Department especially for this. Now, this stagnancy in the posts should be removed, and these employees need promotion. They want confirmation; they have a right to exist and that can only be done if this department is expanded to suit the needs of this country. I hope that the

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hon. Minister will see to the interests of the employees also so that more cases can be unearthed.

I would like the Government to go into the case of this P. & T. officer specifically. I am told that this was the officer who gave us a lecture in the P. & T. Board about the integrity of the employees. Now, his own integrity is challenged today, and I would like the case to be exposed in the full face of the House if he has done anything wrong.

SHRI NARENDRA SINGH MAHIDA (Anand) : Mr. Deputy-Speaker, Sir, we are short of foreign exchange and we have to plug all the loopholes by which the foreign exchange drain occurs and bring measures to this end. We are keen to see our exports increase, but while exporting we should also watch the system of under invoicing. The business community is very clever and I would urge the Ministry of Finance to be more vigilant in this export trade. Our films also are exported. South Africa is a banned country and we do not have any trade with them, but our films also somehow from other countries of East Africa are routed to South Africa, and I do not know what happens to those monies which are collected on account of those films.

Then, we have a very big drain of our ancient relics like ancient statues or archaeological pieces. Recently, from the museum of the Maharaja of Jaipur, very valuable paintings were taken out of this country and I still wonder how they were taken out. There are very many loopholes which have to be plugged because of these loopholes our ancient belongings like paintings and idols are very regularly and systematically exported out of this country.

While inspecting the Bombay Harbour, as Chairman of the National

Shipping Board, I learnt about a broken package which was marked for export and as containing some export items; it actually contained very valuable idols from Rajasthan. We are also seeing a very sad picture in our rural India. Now and then, idols are being lifted from temples, or many monuments are removed from their places. All these relics are found in the markets of Bombay or Delhi or Agra or Jaipur. These can be traced; they are being bought by many foreigners. We have many loopholes which should be plugged, because of these loopholes articles older than 100 years can be taken out of this country. But who is to say that a particular piece is a thousand years old or a hundred years old? There is a lot of drain out of this country in respect of foreign exchange. We have reached a drain of a sum of Rs. 100 crores now, through smuggled gold alone. We have not been able to check gold smuggling effectively, when gold is being regularly brought into this country. When I visited the Persian Gulf area, I found one thing. It is an open secret there: Arab dhows or country-crafts or fast motor boats are regularly plying between India and the Persian Gulf; gold is very cheap there, and it is sold here at double the price at which it is fetched there. Particularly on the western coast of India right from Kutch down to Goa, there is smuggling of gold, and there is a lot of drain in this way.

So, I welcome this Bill. It is in order to check the exporters, to compel them to declare the articles in full, which they are not doing. They object to our customs when the customs seize their export items and detain them and then they challenge in the courts of law that this detention is illegal. In order to meet this challenge from the courts of law that the Government is bringing this Bill to plug the loopholes in respect of

smuggling and underinvoicing. I welcome this measure. I want the Government to be more vigilant; in the coast of western India, we must have more motor-boats, we must have very modern vessels like hovercraft, hydro-boats and other amphibian vessels which can travel at a speed of 70 to 100 miles an hour. The Arab dhows that I saw in the Persian Gulf and the motor-boats there are very fast and they travel at a speed of 50 to 60 miles an hour. It is very difficult to locate a foreign vessel; within Indian waters by the time you chase them, they are out of our waters, and it is difficult to catch them once they are in the international waters.

In the area of Surat, in Gujarat State, when the sea-shore was dug, we once found scooters which were hidden in the sands. This gave us an idea how regular smuggling is going on. Smuggling of watches and gold biscuits is very common. I would therefore urge the Government to pay more attention to these places where smuggling is going on and which are very well known. Very stringent steps should be taken; not merely a sentence of two or three months, but a rigorous sentence should be given to the offenders.

With these words, I welcome this measure and support the Bill, and I hope that this Bill will also prevent underinvoicing in this country.

SHRI S. M. KRISHNA (Mandya): It is rare for us to get an occasion to welcome a Bill or an amendment moved by the Government. Foreign exchange is increasingly becoming one of our most precious commodities in this country, and therefore, the reason why the trading community in this country like to amass much of it outside India.

Let me start by comments on this amending Bill by quoting Shri J. R. D. Tata. While addressing a gathering of

the business community, Shri J. R. D. Tata said that "the trading community should weed out all those traders who follow the malpractices in business". He suggested that "the business community should submit itself to some mechanism of social and management audit as well as take up permanent responsibility towards the people of their area, of their location, in a bid to try and improve its prevailing poor image". The sentiments expressed by Shri Tata should drive some sense into the business and trading community in this country. We were hoping that the Government would move in the direction of piloting a Bill to nationalise this export-import trade which would permanently put away or do away with the foreign exchange rackets that we hear so often. On very many occasions forceful pleas have been made on the floor of the House that these rackets which have gone on unchecked and at certain times with the active connivance of those who are in power at the Centre as well as in the States, should be put an end to. We have not forgotten the occasion when very many big names were involved in some of those foreign exchange rackets; we have not forgotten even the case that is often being mentioned about Rajasthan.

This particular amendment aims at setting right the lacuna pointed out by the Supreme Court. Violation of foreign exchange rules is not an exception, but is becoming the rule in this country. Sometimes the officers involved are corrupt and they are tempted to square it off with the businessman or firm concerned.

The plea for nationalisation of this trade as a whole gets added significance with the back drop of what is happening today. I want Government to give serious consideration to this. To start with, let them take over the export of

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precious materials produced in public sector. I would quote a small but significant example. The Mysore Bhadravati Iron and Steel Works are manufacturing ferrosilicon, which is a precious commodity. But the State Trading Corporation has not been entrusted with the export of this. A private firm called Karnataka Traders, with which certain big men in Mysore are associated, are given the sole agency to export it. The profit made by this firm is appalling. This private concern is closely associated with the ruling junta in Mysore. This firm hires the residence built by the Industries Minister of Mysore by paying a fabulous rent every month. And, it so happens that the Bhadravati Steel Works have given this firm complete monopoly to export the ferrosilicon. Bhadravati Iron and Steel Works is solely owned and managed by the Mysore Government. The Government of India have given them loans and subsidy. Therefore, at least such of those commodities which are being produced by public sector undertakings in this country should be exported by the Government. With this plea that the Government may give serious consideration to this idea, I whole-heartedly support this Bill.

SHRI S. S. KOTHARI (Mandsaur) : Sir, I would submit that constant vigilance is the price for foreign exchange equilibrium and conservation. We are consistently hearing about exchange rackets. With impunity, certain firms indulge in blackmarketing practices. Particularly, they operate in hotels and the shops adorning them. Their practices are surreptitious and even the foreign exchange legitimately due to this country on account of tourist traffic that flows in also does not reach the Reserve Bank. Part of it is siphoned off in these blackmarket channels. The Minister should direct his

attention to this, so that leakage of foreign exchange is checked. If the Enforcement Staff is vigilant and discharges, its duties efficiently, it is possible to check the leakage to a sizable extent.

Far more grave than the loss of foreign exchange in tourist trade is the over-invoicing and under-invoicing. We have had the classic example of the Bird and Company's case where crores of foreign exchange were lost over a period of years, because of under-invoicing of the jute goods which were exported. There is no assurance that such things have been completely stopped. Even now there may be such cases. It is a legacy of British imperialism whereby goods were exported at lower prices than what they would actually fetch in the foreign market and the difference was misappropriated by the home firm, as they called it. The home firm would deprive this country of foreign exchange, taxes and profits legitimately due to the shareholders of the companies which indulged in these malpractices.

Over-invoicing of imports also is an important source of foreign exchange leakage. When machinery is imported, it is common practice that firstly an agreement is entered into with the foreign supplier, whether in U.K., U.S.A. or in any other country, thereby the invoice is made for a bigger amount and that amount is paid by the limited company or firm. The difference is pocketed by the individual who puts it in numbered accounts in Switzerland. Most of the foreign firms have a practice of giving 5 or 10 per cent commission on machinery that is imported. That commission never reaches the coffers of the company itself. It is appropriated either by the agents of the Indian firms or by the proprietors and it goes into the numbered bank accounts. This leakage has assume

serious proportions and it has to be looked into by Government in a serious manner.

With regard to under-invoicing and over-invoicing, the Reserve Bank has an important function to perform. If it is vigilant, a check can be imposed. Even in the case of raw materials which are imported, the home firm—the British or American firm—sends materials to the subsidiaries here at higher prices. Consequently the profits are reduced and that leads to leakage.

The foreign firms must be made to invest compulsorily 50 per cent of their profits in this country. That would reduce remittances. We cannot say that they should be compelled to invest all their profits here. Even if they invest 50 per cent, it would assist industrial development of this country. Profits imply that the subsidiary here is a profitable source of business and if they reinvest the profits here, even the foreign investors do not suffer. Some of the firms, which are the elite among the foreign investors, voluntarily do that. But if Government imposes definite rule or law that 50 per cent of the profits earned by foreign firms must compulsorily be invested in this country, we can save foreign exchange remittances and it would lead to industrial development here.

The methods for checking smuggling are out-dated. As Mr. Mahida pointed out, even the vessels are outdated. The whole system of detection should be modernised. That will assist in checking smuggling to a considerable extent. While sometimes we see headlines in the newspapers that Rs. 1. crore or Rs. 50 lakhs worth of watches or goods have actually been caught by the Customs authorities, the fact is that only 1 per cent to 2½ per cent of the actual smuggling is detected. Actually, most of it, 99 or 97½ per cent of it, is not

detected at all and smugglers are flourishing. The customs staff has to be strengthened. There are some excellent officers in the Customs Department and I think the strengthening of staff should also assist this country.

Finally, I would like to make one point with regard to the tea industry. Tea is one of our oldest foreign exchange earners. They have a long standing demand that the excise duty imposed on tea which is exported is not refunded as is done in the case of other commodities. If we have to promote exports and to see that our tea exports maintain their rightful traditional place in foreign markets, it is necessary that the excise duties which are levied are refunded to the parties in respect of tea which is exported.

**SHRI S. M. BANERJEE** : Sir, I have a small submission to make. Because we are not having Lunch Hour, passes issued to visitors should also be for the Lunch Hour; otherwise, it is almost a secret session that we are having.

**MR. DEPUTY SPEAKER** : We have not taken a decision to have a secret session.

**SHRI SONAVANE (Pandharpur)** : How can there be a secret session when the members of the press are covering it ?

**MR. DEPUTY SPEAKER** : That does not arise.

**SHRI LOBO PRABHU** : He is missing the gallery.

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI)** : Sir, I am highly thankful to hon. Members who have participated in the debate on this very simple measure which is before the House. As I said yesterday this particular Bill before the House is as a result of the Supreme Court's decision which was given in the case of

[Shri P. C. Sethi]

Union of India *versus* Rai Bahadur Shree Ram Durga Prasad (Private) Limited. The Supreme Court was pleased to observe in that case that declarations under section 12(1) need not give authority to the Customs authorities to prevent the goods from being exported. Previously in view of various High Court decisions, it was the practice—and the Customs officers were using this authority given to them by the law—that in case of wrong declarations made in the forms they would prevent the goods from export. On account of this decision which the Supreme Court gave it became absolutely necessary that an Ordinance had to be promulgated and that Ordinance had to be brought forward in the form of this Bill which, I hope, the House will pass. According to this Bill the Customs authorities would again get the authority of stopping export of such goods which, according to them, would not be having a correct declaration of the value of goods. To that extent the proposition which is before the House is very simple.

But during the course of discussion hon. Members have raised questions covering a very wide range. Although there is some sort of linkage between the two, actually questions connected with the Customs Act and with the Foreign Exchange Regulation Act have been mixed up. It is a fact that whatever smuggling takes place is on account of a few factors. Firstly, it is on account of overinvoicing and underinvoicing; secondly, it is on account of the fact that some money is generated by smuggling out certain articles, like silver, opium and other articles which could be taken away from here, and then utilising that money for smuggling into India articles like gold, watches, cameras, Transistors and so on and so forth. herefore the problem will have to be

attacked not only from one point of view but from various angles and points of view. It was in view of this that during the last session a Bill was passed by this House amending the Customs Act with regard to smuggling of goods; the measures were further tightened and nobody could move silver specially within a stipulated area of the western coast without the permission of Government.

Hon. Member, Shri Lobo Prabhu, asked as to what would happen to the measures which were taken after that Bill was passed. I would like to bring to his notice that since then the price of silver, which ranged between Rs. 580 and Rs. 600 before this measure had been passed, came down to the region of Rs. 460 to Rs. 480 a kilogramme. It is a clear indication of the fact that the lure for this white metal being smuggled out of India is getting reduced because the control or vigilance or seizures have been tightened.

But I would not claim that these are perfect measures and that we have arrived at a situation where no improvement is possible. The scope for improvement is certainly there. In order to combat smuggling a lot of measures will have to be taken. As I had already said yesterday, we are considering already a comprehensive legislation with regard to this. We would get it scrutinised and would get expert opinion. We would certainly benefit by whatever comments and suggestions that have been offered by hon. Members during the course of this debate and when the House passed the last Act, and would bring forward a comprehensive measure before this House.

As far as combating smuggling is concerned, various measures will have to be taken. First of all, preventive staff in the concerned collectorates and Customs offices will have to be strengthened. That is being done. Then, during

the course of these seizures and raids we have confiscated a few of the Arab dhows which we are now using for vigilance on the western coast. Apart from that, we have also tried to acquire hovercrafts from the United Kingdom. One of the hovercrafts is already working as an experimental measure and if this experiment succeeds, we will need to acquire more hovercrafts from the U.K. so that we can have more speedy communications and speedy vessels in order to chase these people. As has been pointed out by Shri Mahida, unless we have vessels which could chase these people who come from Dubai and other neighbouring areas with vessels with a greater speed than that of their dhows, it is very difficult to apprehend them. Once they go out of Indian waters and enter international waters, it becomes very difficult. All these measures are being adopted and we are trying to improve upon the situation.

Apart from this, we are also strengthening the intelligence directorate in revenue intelligence which has its headquarters in Delhi. We have opened a sub-office in Bombay and we hope to do so in Calcutta. In Delhi and Madras also they are being set up.

SHRI S. M. BANERJEE : Separate cells.

SHRI P. C. SETHI : We will open regional offices of this intelligence directorate.

Looking to the vast coast that we have to guard the strength of the staff for anti-smuggling purposes at present is inadequate and it will have to be strengthened. We have already adopted certain measures and we will have to do it further more.

We will also have to think of opening intelligence offices and put proper persons in certain foreign countries

specially where these operations are concerned. Few of the officers have been located in some countries but in all important centres like the UK, Hong Kong and various other places, where we need them, it will have to be done. We shall take measures in this direction also.

Apart from this, a point was also raised that we should have more competent vehicles and instruments and sets for communications. That is also being done; especially on the Indo-Nepalose border and Indo-Pak border, about which reference was made by Mr. Jha, we have taken measures and we have strengthened the vehicles there and we have posted more officers in U.P., Bihar and other areas. If the hon. members desire, I would give the details.

As far as the imported goods are concerned, according to this amendment which was done and the rules framed under them, the goods have been notified and if anybody is found to possess the notified goods—it is a different matter if somebody has a transistor in his house for his personal use—if anybody is found having these notified goods for sale either in a petty shop or as a hawkor in pavements, then he will be liable to penalties, and the goods are being confiscated. This is being done. On account of that I would not claim that hawkers on pavements have completely vanished, but this has been considerably reduced. The imported goods like cigarettes or any such thing which were readily available on the pavements are now comparatively less visible on the pavements, although it is said and to some extent rightly said, that they have not completely disappeared and that you could go to a selected spot or a person and ask him and he would readily get the required goods within a couple of

**SHRI S. S. KOTHARI :** I have a different point of order.

**MR. CHAIRMAN :** Let me dispose of the first point of order.

**SHRI TENNETI VISWANATHAM (Visakhapatnam) :** May I say a few words ?

The second point raised by Shri Srinibas Misra is very valid. This has not been raised for the first time. It would be better if the Minister, when he wants to move a Bill, first of all reads out the recommendation or at least states that the recommendation of the President has been obtained. That will solve the problem.

So far as the first point is concerned, he has said that it has been given only for 'introduction' and not for 'moving.' I think, "moving" follows introduction.

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI) :** We have written to the Secretariat of the Lok Sabha that the recommendation of the President has been obtained for the introduction of the Bill in the Lok Sabha as required under article 117 (1) of the Constitution of India and for its consideration as required under article 117 (3) of the Constitution. After obtaining the recommendation of the President, we have written to the Secretariat of the Lok Sabha. Therefore, the point raised by the hon. Member does not arise. My letter to the Secretariat of the Lok Sabha is there. It is for both—article 117 (1) and article 117 (3).

As far as the circulation of the Bill is concerned, it was introduced in the last session and the Bill has been circulated to the hon. members.

**SHRI TENNETI VISWANATHAM :** You can say that the recommendation of the President has been obtained.

**SHRI P. C. SETHI :** I am saying so. I have actually written to the Secretariat of the Lok Sabha that it was written to the President and his consent has been obtained.

**MR. CHAIRMAN :** In Bulletin Part II, dated the 28th August, it has been mentioned. The hon. Member read only half of it.

"The President having been informed of the subject-matter of the proposed Bill further to amend the International Monetary Fund and Bank Act, 1945, recommends the introduction of the Bill in the Lok Sabha . "

The hon. Member read only that much. It also says :

"...as required in article 117 (1) of the Constitution of India and for its consideration as required in article 117 (3)."

**SHRI SRINIBAS MISRA :** Are you giving a ruling now? Recommendation under Art. 117(3) is only for consideration. Recommendation for moving under Art. 117(1) must be there. Art. 117(3) is a different matter. Supposing there are Bills where there is no expense—it is a money Bill but there is no expense something like that—there recommendation under Art. 117(3) is not necessary. There are two recommendations to be brought from the President. One in under 117(1) and another is under 117(3). Because he has got a recommendation under Art. 117(3) for consideration, that is not enough for 117(1). That was for consideration. So far as 117(3) is concerned, they cannot use that recommendation for consideration for a motion for consideration of some other matter. Rule provides as to what are the motions to be moved after introduction. Now introduction is over. Then the Rule provides for so many motions. Now he is coming up with a motion. Motion for recommendation has lost its force. The introduction stage is over. Then comes the motion stage either for consideration or for circulation whatever it may be. He is now coming up with a motion for consideration. Therefore, Art. 117(1) must be complied with and Art. 117(3) also must be complied with. Art. 117(1) is not complied with. That is my objection.

**MR. CHAIRMAN :** As for as amendments are concerned, Art. 117(3) applies.

**SHRI SRINIBAS MISRA :** Wherefrom did you get the amendment ?

**MR. CHAIRMAN :** This is an amending Bill.

**SHRI SRINIBAS MISRA :** Art. 117(1) says that a Bill or amendment making

provision for these matters shall not be introduced or moved except on the recommendation of the President. Perhaps the Minister is under the impression that whatever is introduced is moved. That is not so. Let him be directed to bring the recommendation tomorrow.

MR. CHAIRMAN : The recommendation is already there with the hon Minister. It is not possible to produce the recommendation.

SHRI S. S. KOTHARI : You rule out the objection ? Now, Sir, under Rule 70 of the Rules of Procedure. I have an objection.

SHRI SRINIBAS MISRA : Are you the Speaker ? Who has given you the authority to rule out my point of order ? Don't assume that power.

MR. CHAIRMAN : I said that it is ruled out.

SHRI SRINIBAS MISRA : No reasons? My objections are two. One is that Bulletin II is not sufficient. (*Interruptions*).

श्री शिवचन्द्र भा (मधुवनी) : सभापति महोदय, आप की रूलिंग के पहले जरा मंत्री महोदय इस का जबाब दे दें। हम सुनना चाहते हैं कि उन का तर्क क्या है।

SHRI S. S. KOTHARI : Under Rule 70 this Bill is incomplete. The rule says :

"A Bill involving proposals for the delegation of legislative power shall further be accompanied by a memorandum explaining such proposals and drawing attention to their scope and stating also whether they are of normal or exceptional character."

This Bill is incomplete because it does not contain a memorandum of delegated legislation.

Section 3A provides like this :

"3A. The Reserve Bank may, on behalf of the Central Government, use, receive, acquire, hold, transfer or operate the special drawing rights of that Government in the International Fund and perform all acts supplemental or incidental thereto."

Powers have been delegated to the Reserve Bank. According to Rule 70 which I have read out, there should be a Memorandum of Delegated Legislation. Since no Memorandum of Delegated Legislation accompanies this Bill, this Bill is incomplete. This Bill cannot be considered by the House today. The Minister may come up with a Memorandum of Delegated Legislation tomorrow and then we may consider it.

SHRI P. C. SETHI : As far as the question of Delegated Legislation is concerned, there is no such delegation of any legislation involved here. This is only in respect of delegation of authority to act as agent on behalf of the Government that is being given to the Reserve Bank. Therefore, that point of delegated legislation does not arise at all.

SHRI S. S. KOTHARI : It is delegation of authority to the Reserve Bank. There is no doubt about it. They are authorised to do all this. But why cannot the Minister have a Memorandum of Delegated Legislation ? Rule 70 is very clear. Kindly read Rule 70. But, you cannot dispense with Delegated Legislation Memorandum. It is not optional for the Minister to decide whether it should be there or not. It is obligatory.

SHRI P. C. SETHI : If the hon Member reads section 3A it will be clear. It says :

"The Reserve Bank may, on behalf of the Central Government, use, receive, acquire, hold, transfer or operate the special drawing rights of that Government in the International Fund and to perform all acts supplemental or incidental thereto."

Therefore, this is only delegation of authority, only to work as agent on behalf of the Government. That is all. It is completely defined.

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI VIDYA CHARAN SHUKLA) : There is no delegation of legislative power.

SHRI S. S. KOTHARI : Sir, what is your ruling on my point of order ?

MR. CHAIRMAN : It is ruled out. Shri P. C. Sethi.

[Shri P.C. Sethi]  
 to my information which we checked with the authorities, no gold, jewels or watches have been found and no such recovery has been made by the Customs. But I would like to add that this matter is a matter of a calling attention notice which is now before the hon. Speaker. If the hon. Speaker admits the calling attention notice, I shall come out with full facts about this case and place them before the House.

SHRI S. M. BANERJEE: May I seek your protection, Sir? It is not a question that a calling attention notice has been admitted. I have already called the attention of the Minister, without the permission of the Speaker, but at least with your permission.

Our information is that a senior Posts & Telegraphs Departmental officer, an ex Director-General of P & T, and a senior member of the Finance Ministry who is deputed to the P & T. Board are involved. Whether there was gold or not, I am not concerned with that. Whether those packets are still there whether those officers who are concerned still belong to the P & T and what are their names—I want to know. We understand that the Customs officials have been warned by the P & T officials. This is a very serious matter, if the Minister has got something in his possession, he should place it before the House.

SHRI P. C. SETHI: I am not trying to cover up anything. What I am saying is that during the course of the discussion on this Bill, it was not necessary for me to collect all the information about each and every case, parcel or post parcel that comes to India.

SHRI S. M. BANERJEE: It has come on 13th November, 1969.

MR. DEPUTY SPEAKER: He says that he has come prepared only for the discussion on this Bill.

SHRI S. M. BANERJEE: I want your guidance, Sir. During the course of the discussion on a general debate. A question, a specific question—it is not a general question—has been raised by me. I read from the newspaper report of 13th November, 1969. Those packets were found by the Customs officer. Two senior officials of the P & T and a senior officer of the Finance Ministry are involved in this matter. According to the newspaper report, some 999 cigarettes, gold, 16 watches were recovered. The customs officer was taken to task by the P & T officials. I want to know who the officers are.

MR. DEPUTY SPEAKER: It is for the Minister to reply.

SHRI H. N. MUKERJEE (Calcutta North East): Can I seek your guidance, Sir? The Minister has said that if and when the calling attention matter comes up before the House, he will give the material which presupposes his having already collected all the essential facts in this matter. But as an allegation has been made in the House, whatever the answer the Minister has got, should be presented here and now.

MR. DEPUTY SPEAKER: He has come prepared for the purpose of discussion of this Bill. He does not have all the facts of that case with him now. He has not come with the specific purpose of giving the facts about this case. That is his difficulty.

SHRI H. N. MUKERJEE: That is a different matter.

MR. DEPUTY SPEAKER: I hope you will understand his difficulty.

SHRI H. N. MUKERJEE: The Minister has very definitely said that a calling attention notice on the subject is under consideration of the Speaker and if it is admitted, he will give all

the facts to this House. Therefore, all the essential facts of the matter must be with him.

**SHRI UMANATH** (Pudukottai) : It might never come up. —

**MR. DEPUTY SPEAKER:** That inference is a little bit—please excuse me—far-fetched. Not that he says. A calling attention is pending with the Speaker and if it is admitted, he says that he will go into the matter and get the facts and place them before the House.

**SHRI S. M. BANERJEE:** I rise on a point of order, Sir. A particular Member has raised a particular matter, a specific matter, during the discussion of a Bill pertaining to this particular subject. It is not irrelevant. It may be a sort of general thing. I have made a specific charge. Here the Minister says that it is his knowledge that a calling attention is pending with the Speaker. The calling attention notice must have been sent to him for his comments and so he is already prepared for the calling attention motion.

**MR. DEPUTY SPEAKER:** I think that infer is again also far-fetched.

**SHRI S. M. BANERJEE:** If it is in the knowledge of the Minister, here and now he can give the facts. Otherwise he can ask for notice. But he says he is prepared to answer the calling attention notice. But how can he answer the calling attention notice unless he is posted with the facts? It is open to the Minister to ask for notice. Then I will be content with that.

**MR. DEPUTY SPEAKER:** In effect that is what the Minister has conveyed. A calling attention notice is pending.

**SHRI S. M. BANERJEE:** My fear is that the matter may be hushed up. 16 packets are still lying. Some of the packets have been handed over I do not

hold the Minister responsible for this thing. He may not be. But there are certain officers who are on the verge of retirement. One has already retired. Another man is about to retire. They want to conceal the whole thing. I want the Minister to say as to what the facts are.

**SHRI P. C. SETHI:** I am very grateful to you, Sir, for the clarifications that you have made. What I have stated was that a calling attention matter is pending before the Speaker. If it is admitted, certainly I will get prepared and come before the House with all the relevant facts. As far as the general information that some watches; gold, cigarettes etc. were recovered is concerned, we have checked up and officially no such recovery has been made by the customs.

**SHRI S. M. BANERJEE:** Why should a calling attention notice be given for nothing but cigarettes? Who are the officers?

**SHRI P. C. SETHI:** I would certainly come out with all these names, facts and details, the contents of the parcels—what they are and what they are not, how they have come and where they are going when a proper notice comes.

**SHRI S. S. KOTHARI:** Is the Government taking definite action in the matter?

**SHRI P. C. SETHI:** Obviously when the hon. Member brings a matter to the notice of the Government, it is expected to take action.

**SHRI S. M. BANERJEE:** He says there is nothing like that.

**MR. DEPUTY SPEAKER:** I don't think he has said that also. He says that he will come out with all the facts when it is admitted.

**SHRI P. C. SETHI:** Mr. Banerjee also referred to the point saying that information in the case of parties is being leaked out. To the best of my knowledge this is not correct. No information is leaked out. When hundreds and thousands of officials are employed at various places, all possible precautions are taken. In spite of that it is likely that some information might trickle down. But according to my information, no official leakage of whatsoever or anything took place.

**SHRI S. M. BANERJEE:** What is the outcome of it?

**SHRI P. C. SETHI:** That is being investigated.

A question was also raised about the ills of over-invoicing and under-invoicing and it was said that all these ills would not be there if the entire export and import trade of the country is nationalised. During the course of the debate this was raised. On earlier occasions I have said that as far as over-invoicing and under-invoicing are concerned, if every-thing is imported and exported by public undertakings, to that extent it can be eradicated. But as far as smuggling and foreign exchange violations are concerned, even in the best of Communist countries and socialist countries where the trade is completely state-controlled, one could not say with complete confidence that there is no smuggling whatsoever.

**SHRI KANWAR LAL GUPTA:** All of them are smugglers.

**SHRI P. C. SETHI:** It would be wrong to say that also. At the same time, this is a different matter and it is a matter of policy and it is not a matter before the House when this Bill is discussed. The House is aware of Government's intentions and policy in the matter. Whenever that sub-

ject comes before the House, Government might give the opinion to the House. I will not like to go into the merits and demerits of that particular matter now. I have nothing more to add.

**SHRI S. S. KOTHARI:** What about checking over-invoicing and under-invoicing? Is the Reserve Bank vigilant?

**SHRI P. C. SETHI:** About that, certainly the Reserve Bank is vigilant and about 75 per cent of the cases have been registered. It is not for the Reserve Bank, it is for the Enforcement Directorate to go into these cases. It is for the Customs to check these things.

With regard to the accounts in Swiss banks, according to their law and rules and regulations they are not prepared to divulge the information.

**SHRI S. M. BANERJEE:** The United States Government has already compelled the Swiss banks to mention the names of those people whose accounts are kept with them. Those who are connected with the Foreign Exchange Directorate, they are not given any encouragement and they are stagnating without any promotion.  
14 hrs.

**MR. DEPUTY SPEAKER:** Kindly listen to the Minister.

**SHRI P. C. SETHI:** Information about individual accounts and operations and holdings in the Swiss bank are not available because according to rules and regulations it is not done. Information about individual account is not given. Suppose Mr. Banerjee has got an account in the State Bank of India the State Bank would not be prepared to divulge it. This is the position. We cannot help it. I have nothing more to add. I commend this Bill for the acceptance of the House.

**SHRI S. M. BANERJEE:** Sir, there is only one clarification. I would like to ask. What encouragement is given to these officers in the matter of promotion etc.? He has not said anything. Has he offered something to them?

**SHRI P. C. SETHI:** The matter of seniority and promotion between Customs and Excise officers is a very old long-standing dispute and that is going on. That is under active consideration of Government. We hope to take a decision very soon. The matter was also referred to UPSC. Customs also we shall do.

**MR. DEPUTY SPEAKER:** Shri Kanwar Lal Gupta.

**श्री कंवर लाल गुप्ता (दिल्ली सदर) :** उपाध्यक्ष जी, मैंने मंत्री महोदय का जवाब बहुत ध्यान से सुना और मुझे आश्चर्य है कि यह बात उन्होंने मानी कि हालांकि सुप्रीम कोर्ट का जजमेंट जिस दिन फ्राडिनेंस ईश्यू किया गया उस से करीब महीना डेढ़ महीना पहले हो गया था, डेढ़ महीने तक सरकार मोती रही और जैसे ही पार्लियामेंट का सेशन नजदीक आया उस से केवल तीन दिन पहले सरकार जागी और इन्होंने फ्राडिनेंस जारी कर दिया। मेरा पहला एतराज यह है कि क्या सरकार डेमोक्रेटिक ट्रेडींग्स को मानने के लिए तैयार है? सरकार इस सदन की मर्यादा के साथ इस प्रकार का खिलवाड़ न खेले, इस चीज को मानने के लिए तैयार है या नहीं? जब सदन मिलने जा रहा है तीन दिन के बाद उस समय फ्राडिनेंस ईश्यू करने की कोई बात नहीं थी। अगर ईश्यू करना ही था तो जिस दिन सुप्रीम कोर्ट का जजमेंट आया था उस के एक हफ्ते के अन्दर करना चाहिए था। तो मैं पहला विश्वास तो सरकार से यह लेना चाहता था कि फ्राइन्दा इस प्रकार का काम नहीं होगा कि जैसे सदन नजदीक आए उस समय आप फ्राडिनेंस ईश्यू करते हैं, यह परम्परा, यह तरीका गलत है

और मैं चाहता हूँ कि मंत्री महोदय इस के बारे में विश्वास दिलाएं।

दूसरी चीज श्री मंत्री महोदय ने कहा कि बहुत मारे पग उन्होंने उठाए हैं जिस से कि फोरन एक्सचेंज की वैस्टेज में कुछ कमी हुई है स्मॉलिंग में भी कुछ कमी हुई है। मैं उनको बधाई देना चाहता हूँ कि उन्होंने कुछ पग उठाए हैं लेकिन मैं यह भी कहना चाहता हूँ कि जो पग उन्होंने उठाए हैं वह एफेक्टिव नहीं हैं। जो स्मॉलर्स हैं या जो यह रैकोटम है यह इतने मांडिटफिक तरीके से काम करते हैं और उन के पास मार्डन सिस्टम इतना अच्छा है कि वह आप ने जो पग उठाए हैं उन को सरपास कर जाते हैं। उन के पग ज्यादा साइटिफिक हैं, वह ज्यादा माडर्न हैं। इस लिए जिस तरीके से आप चल रहे हैं, वह धीमी गति है और उस से आप यह चीज कंट्रोल नहीं कर पाएंगे। आप देखेंगे, आपका कहना यह है कि बाजारों में अब पटरियों पर सामान नहीं मिलता, बम्बई में जाइए, चोरबाजार उस बाजार का नाम ही है जहां चोर बाजारी में यह सामान मिलते हैं। मद्रास में देखिए, कलकत्ते में देखिए, जहां जहां भी यह पोटंस है सब जगह बाजार में खुले आम स्मॉलंड गुडस मिलते हैं।....(व्यवधान)....दिल्ली के लोग कम्परेटिवली जरा शरीफ हैं।

इसलिए मैं ने कहा कि जब यह स्थिति है तो इसका मतलब यह है कि जो कार्यवाही आप आप ने की है उस कार्यवाही का जितना असर होना चाहिए वह नहीं है।

एक और चीज की तरफ मैं मंत्री महोदय का ध्यान दिलाना चाहता हूँ कि हमारे जो एम्बेसीज में काम करते हैं उन की एक फ्रेड है, वहां जाने के बाद हर एक आदमी नौकरी नहीं देखता है, वहां उम का क्या काम है क्या इयुटीज हैं उन की तरफ बिल्कुल ध्यान नहीं देता है। वह जिस दिन वहां कदम रखना है पहला काम उम का यह होना है कि कैसे इम्पोर्टड गुडस इकट्ठा कर लिए जाय ताकि यहां में जब बदनी

[श्री कंबर लाल गुप्त]

हो तो जितना ज्यादा से ज्यादा सामान लपेटा जा सकता है वह लपेट कर वह ले जा सके। वह लीगल, इल्लीगल, फेयर, फाउल तमाम भीन्स इस्तेमाल करने हैं और इस्तेमाल करके हजारों रुपये का सामान, बल्कि लाखों का सामान यहां जब तीन चार साल के बाद आते हैं तो ले आते हैं। उस के ऊपर कोई पाबन्दी होनी चाहिए। यह क्रेज जो है विदेशी माल के लिए वह गलत बात है। उस पर ऐसी कोई पाबन्दी लगनी चाहिए कि एम्बेसी का आदमी ज्यादा से ज्यादा एक हजार रुपये की चीज ला सकता है, उस से ज्यादा नहीं ला सकता है। क्योंकि यह आदत पड़ गई है, हर जगह पर कि जैसे ही इम्पोर्टेड चीज मिले तो यह बहुत अच्छी होगी, ऐसा हर एक समझता है। तो यह चीज सरकार को ध्यान में रखनी चाहिए और फाइनेंस मिनिस्ट्री इस बात पर जोर दे कि एम्बेसी के लोग छोटी सी चीज से लेकर मोटर गाड़ी तक जो ले आते हैं, यहां तक कि उन की लड़कियों की शादी तक होती है तो तब भी सारा इम्पोर्टेड माल उस में मिलता है, तो यह तरीका बन्द होना चाहिए। यह बन्द होने से रिश्वतखोरी भी बंद होगी और वह अपने काम में भी लगेंगे। मुझे पिछले साल बाहर जाने का मौका मिला था। उन्होंने अपने एजेंट लगाए हैं कि इस देश में यह चीज अच्छी मिलती है, दूसरी जगह यह अच्छी मिलती है। इस तरीके से यह जो चीज चलती है उस को तोड़ना जरूरी है।

दूसरी चीज—सरकार को इधर तो सौ करोड़ रुपये सालाना का नुकसान इस तरह से फारेन एक्सचेंज का होता है और जो इस तरह से ओवर इनवायसिंग और थ्रंडर इनवायसिंग है, अभी मंत्री महोदय ने यह बात स्वीकार की कि उन के नाम और पते वह छाप देंगे, मैं समझता हूँ कि यह सरकार के पास थ्रंडर कंसिडरेशन पिछले एक साल से है लेकिन सरकार ने अभी तक कोई रूल बनाया नहीं। मैं चाहूंगा कि सरकार जल्दी रूल बना दे ताकि

वह छाप दिए जाएं और मैं उन को वधाई देना चाहता हूँ कि उन्होंने मेरी इस बात को स्वीकार किया है। लेकिन यह होने के बाद भी आज तक आप मुझे बताएंगे कि कितने लोगों को आप ने कैद की सजा दी है? आप जो कानून लाने वाले हैं उस में स्टर्न मेजर्स होने चाहिए.....

श्री नरेन्द्र कुमार साल्वे (बेतूल) : सजा दी या मुकदमा चलाया ?

श्री कंबर लाल गुप्त : सजा का प्राविजन ही नहीं है तो ? सजा का प्राविजन तो करें। अभी तो पेनाल्टी का प्राविजन है।

श्री प्र० च० सेठी : सजा का प्राविजन है।

श्री कंबर लाल गुप्त : अगर है तो मैं जानना चाहता हूँ कि पिछले तीन सालों में क्या एक आदमी को भी सजा हुई है? एक आदमी को भी सजा नहीं हुई। यह जो म श योगी साहब हैं जो योग सिखाते हैं, विदेशों में योग के जरिए उन का एकाउंट चला जाता है और लाखों करोड़ों रुपया बनाए हुए हैं। मैं चाहूंगा कि उन के खिलाफ सख्त कार्यवाही होनी चाहिए।..... (ब्यवधान) .....हम इस तरह के साधुओं को नहीं मानते हैं जैसे आप लोग मानते हैं।

दूसरी बात मैं यह कहना चाहता हूँ कि यह जो आप ने इतनी पाबन्दी लगा दी है फारेन ट्रेवल पर, फारेन स्टडी पर, वह पाबन्दी कुछ डीली करनी चाहिए। वह बहुत ज्यादा पाबन्दी है। उस का नतीजा यह होता है कि जो बच्चे बाहर जा कर शिक्षा लेना चाहते हैं, कुछ सीखना चाहते हैं, वह सीख नहीं सकते। मैं मन्त्री महोदय से यह कहूंगा कि इस प्रकार की जो पाबन्दी और सख्ती है वह कम करनी चाहिए। जैसे पार्लियामेंट के मेम्बर भी जाना चाहें—हमारा दुर्भाग्य यह है कि हम एक ऐसी पार्टी से सम्बन्ध रखते हैं जो कि राष्ट्रीय पार्टी है, अगर मैं भी हीरेन्द्र मुखर्जी की पार्टी का मेम्बर होता तो जरा भी बीमारी होते ही मास्को चला जाता..... (ब्यवधान).....

**श्री नरेन्द्र कुमार साल्वे :** यह दुर्भाग्यपूर्ण बात है कि उस पार्टी को यह राष्ट्रीय पार्टी कहते हैं।

**श्री कंबर लाल गुप्त :** मैं अपनी पार्टी को राष्ट्रीय कहता हूँ। आप की पार्टी को नहीं।

मेरा कहना यह है कि जो कम्युनिस्ट पार्टी के सदस्य हैं चाहे राइट कम्युनिस्ट पार्टी के हों या लेफ्ट के हों या जो फेलो ट्रेवलर्स हैं, कम्युनिस्ट पार्टी आफ इंडिया या कांग्रेस पार्टी आफ इन्दिरा, दोनों में से किसी पार्टी का भी हो तो उस को अगर जुकाम भी हो जाता है तो वह इलाज के लिए मास्को जा रहा है। इलाज के लिये प्राग जाते हैं, चैकोस्लोवेकिया जाते ह, हंगरी जाते हैं, पोलैंड जाते हैं, उन के लिये . . .

**MR. DEPUTY-SPEAKER:** Let him not get into that controver y now.

**श्री कंबर लाल गुप्त :** मेरा कहना यह है कि इसके ऊपर कोई पाबन्दी लगनी चाहिए। जैसा कि नियम है कि अगर कोई बीमार है और उस की बीमारी का इलाज हिन्दुस्तान में है, तो उन लोगों को बाहर इलाज के लिये नहीं जाने दिया जाता, लेकिन कम्युनिस्ट पार्टी के लीडर्स उन के बुलावे पर इलाज के लिये वहां पर जाते हैं और उन पर कोई पाबन्दी नहीं है। मैंने पिछली मंतेबा एक सवाल भी इस के बारे में पूछा था। हमारे एक फेलो-ट्रेवलर साहब हैं, राज्य सभा के मेम्बर श्री मोहन धारिया— वे स्वयं उन की बीबी, उन की सड़की तीनों बीमारी के नाम से रुस गये, इस तरह से लालच दे कर लोगों को अपने कैम्प में बैटाने की कोशिश होती है।

उपाध्यक्ष महोदय, मेरा कहना है यह है कि.....

**MR. DEPUTY-SPEAKER:** Let him not enter into those things now.

**SHRI KANWAR LAL GUPTA:** I am here to expose the Communist Party.

This is the work of my party; I have to expose the Communist Party.

**SHRI BAL RAJ MADHOK** (South Delhi): You should not mind if it is exposed. The Communist Party and the ruling party are the same now.

**SHRIS. S. KOTHARI:** The Communist Party is a part of the ruling party now.

**SHRI KANWAR LAL GUPTA.** They are the active allies of the ruling party. The Communist Party is just an extension of No. 1, Safdarjang Road, New Delhi.

**MR. DEPUTY-SPEAKER:** I would humbly say that this is slightly irrelevant to the Bill before us.

**श्री कंबर लाल गुप्त :** इस लिये उपाध्यक्ष जी, मेरा कहना यह है कि इन सब चीजों पर सरकार का कुछ कन्ट्रोल होना चाहिये और मैं इस बात का स्वागत करता हूँ कि जैसा मंत्री महोदय ने कहा कि वह एक्सपर्ट्स से जांच करा कर कोम्प्रोहेन्सिव बिल लायेंगे, लेकिन मैंने उन से मांग की थी कि हाई-पावर्ड कमीशन होना चाहिये और मैं समझता हूँ कि यह मांग एस्टीमेट्स कमिटी ने भी की है— मुझे ताज्जुब है कि मंत्री महोदय ने केवल एक्सपर्ट्स कह कर उस को टालने की कोशिश की है। आपके डायरेक्टर या जो आपके अफसर हैं, वे भी एक्सपर्ट्स हैं, उन से मेरी तसल्ली होने वाली नहीं है। मेरा कहना यह है कि हाई पावर्ड कमीशन बनना चाहिये। जो फारेन-एक्सचेंज कन्ट्रोल के वकिंग के बारे में पिछले 15-20 साल से जो गवर्नमेंट वर्क हुआ है, उस में क्या क्या क्षामियां हैं, इन सब बातों की जांच कर और उस के बाद आप जो बिल लायेंगे वह पूरी तरह से कम्प्रोहेन्सिव होगा।

उपाध्यक्ष जी, और अधिक न कहते हुए आखिर में एक ही बात कहूंगा कि आप जो भी बिल लायें; उसमें सजा सक्त होनी चाहिये और

[श्री कंवर लाल गुप्त]

आपके अफसरान में—जैसा बनर्जी साहब ने कहा है, यह केवल एक अफसर की बात नहीं है, फौरन-गुड्स के बारे में लोगों के अन्दर एक फ्रेज है, इसको खत्म करने के लिये थोड़ी पब्लिक ओपिनियन मोबिलाइज करने की जरूरत है। स्वदेशी का नारा नारा न रह जाये, यह वास्तव में हमारे आचरण और व्यवहार में आये, इसके लिये देश के अन्दर एक वातावरण पैदा करना चाहिये और वातावरण तब पैदा होगा जब बाहर विदेश में काम करने वाले हमारे लोग, जो एम्बेसीज में काम करते हैं, बड़े बड़े अफसरान, मंत्री लोग और हम सब लोग स्वयं अपने आचरण से यह दिखायेंगे कि हम स्वदेशी का ही इस्तेमाल करते हैं। आज विदेशी माल के लिये जो फ्रेज है, उस के कारण ही यह सब वायोलेशन होता है, कानून तोड़ कर वायोलेशन होता है। इसलिये मैं मंत्री महोदय से कहूंगा कि उन सब को सख्त सजा दें।

SHRI P. C. SETHI : I would just like to clarify one thing. As far the question of ordinance is concerned, I had already stated that the delay was certainly regretted. It should have been done earlier. But I would not come forward with a comprehensive decision that there would be no ordinance at all in the future, just on the eve of the session; because it would depend upon the nature of the ordinance as such.

With regard to the rules, I would only like to say that the rules have been drafted and finalised by the Ministry in consultation with the Law Ministry and they have been sent to the Official Languages Commission for the Hindi version thereof.

SHRI KANWAR LAL GUPTA : What rules are they ?

SHRI P. C. SETHI : The rules which relate to the names being published.

SHRI S. S. KOTHARI : The Government believes in ruling by ordinance. It is Government by ordinance.

SHRI KANWAR LAL GUPTA : I beg leave of the House to withdraw my resolution.

MR. DEPUTY-SPEAKER : Has the hon. Member leave of the House to withdraw his resolution ?

SEVERAL HON. MEMBERS : Yes.

*The resolution was, by leave, withdrawn.*

MR. DEPUTY-SPEAKER : The question is :

“That the Bill further to amend the Foreign Exchange Regulation Act, 1947 be taken into consideration”.

*The motion was adopted.*

MR. DEPUTY-SPEAKER : Since there are no amendments, I shall put all the clauses together to vote.

The question is :

“That clauses 2, 3, 4, and 1, the Enacting Formula and the Title stand part of the Bill”.

*The motion was adopted.*

*Clauses 2, 3, 4 and 1, the Enacting Formula and the Title were added to the bill.*

SHRI P. C. SETHI : I beg to move: “That the Bill be passed”.

MR. DEPUTY-SPEAKER : The question is :

“That the Bill be passed”.

*The motion was adopted.*

14-17 hrs. —

\*DEMANDS FOR SUPPLEMENTARY GRANTS (RAILWAYS), 1969-70

MR. DEPUTY-SPEAKER : Now, there is a very human question which I would like to put before the House for

\*Moved with the recommendation of the President.