- (b) The goods exported to these countries include agricultural products, minerals and Ores, chemicals and allied products, textiles, engineering goods, leather and leather manufacturers etc. and the goods imported includes machinery, equipment and spare parts, crude oil and petroleum products, fertilizers, chemicals and pharmaceutical products, steel products, non-ferrous metals; etc.
- (c) Indo Soviet Trade is denominated in non convertible Indian Rupees.
  - (d) and (e). No, Sir.
  - (f) Does not arise.

[English]

## Tax Exemption for Regalia Items

1599. PROF. MADHU DANDAVATE: Will the Minister of FINANCE be pleased to state:

- (a) whether the erstwhile rulers of princely States are in possession of regalia items for use on ceremonial occasions;
- (b) whether such regalia items are considered state property subject to periodical inspection by authorised Government agencies;
- (c) whether such items are exempt from the provisions of Wealth Tax and Gift Tax Act as they belong to the State; and
- (d) whether instructions exist to ensure the interest of Government revenues and avoid mixing up of Regalia/Heirloom items and personal jewellery items of the erstwhile rulers?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH):
(a) Yes, Sir.

- (b) Yes, Sir.
- (c) Yes, Sir.
- (d) Yes, Sir.

## Regalia Items at Currency Backing

1600. PROF. MADHU DANDAVATE: Will the Minister of FINANCE be pleased to state:

- (a) whether the Iranian Government uses the stocks of gems with the Government as a backing for the national currency of Iran:
- (b) if so, whether on the same basis the regalia items of the erstwhile princely States in India which are the States property, have been considered for holding as backing of our currency; and
  - (c) if so, the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH):
(a) Upto 75% of the amount of bank notes issued by Iran had to be backed by Government bonds, securities and other papers which in turn were secured by the National Jewels of Iran. The value of these jewels had not been assessed and reference to it as a backing was more of a symbolic nature.

- (b) At present there is no proposal.
- (c) Does not arise.

## Smuggling Activities in Tamil Nadu

1601. SHRI B.N. REDDY:
SHRI RAJAMOHAN REDDY:
SHRI HAMENDRA SINGH
BANERA:
SHRI P.R.S. VENKATESAN:

Will the Minister of FINANCE be pleased to state:

(a) whether the smuggling activities have increased in Tamil Nadu during the last one year;

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- (b) if so, the details of the articles including weapons and narcotic drugs seized during the above period; and
- (c) the effective measures taken by the Union Government to prevent smuggling activities in Tamil Nadu?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH):
(a) and (b). Available reports indicate that the Tamil Nadu coast and the international airports in the State of Tamil Nadu continue to be sensitive to smuggling. The value of contraband goods including arms and ammunition and the quantity of narcotic drugs seized by the Customs authorities in the State of Tamil Nadu during 1990 (upto November) are given in the table below:

Value (Rs. in crores)	
(P	rovisional)
Gold	14.77 <sup>-</sup>
Silver	6.50
Arms and ammunition	1.10
Others	27.28

Heroin/Brown Sugar57.337 Kgs.

No precise value of narcotic drugs such as heroin/brown sugar can be indicated since it depends upon its purity, place of origin etc.

(c) The Customs authorities remain vigilant against smuggling activities across the international frontiers including the Tamil Nadu coast and at the international airports

and seaports in the country including those in the State of Tamil Nadu. Active assistance of the Coast Guard and the Navy is also being taken. Close co-ordination is being maintained between all the agencies concerned in the prevention and detection of smuggling.

## Production of Bank Accounts/Pass Books to Income-Tax Authorities

1602. SHRI RAM SAGAR (Saidpur): Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the Incometax authorities etc. ask the individual income-tax assesses to produce their pass books/accounts;
- (b) if so, whether the Government have received any representations from the Members of Parliament in this regard;
  - (c) if so, the details thereof; and
- (d) the response of the Government thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) Yes, Sir.

- (b) and (c). A letter dated 20th November, 1990 has been received in the Central Board of Direct Taxes and Shri Ram Sagar, M.P. in which it has been, interalia, enquired whether the Income-tax Authorities require people to produce their bank pass books and whether this requirement is in violation of Article 20 (3) of the Constitution. The steps taken to check and said violation, if any have also been enquired in the latter.
- (d) Under the provision of the Incometax Act, the income-tax authorities have