

तक बनी जाती है। इसलिये धन का बंधार बहुत जरूरी है और लाजमी तौर पर रखा पड़ता है। इसलिये धन को प्रोत्साहित कर के रखते हैं, जहां जरूरत होती है इस्तेमाल करते हैं और जहां कमी होती है वहां भेजना पड़ता है। जहां तक कंकड़-पत्थर मिलाने की बात है, उस बारे में हम कांस्टेंट बाज कर रहे हैं। मैं कोशिश कर रहा हूँ कि जहां से भी त्रिकायत आये, उसकी जांच फौरन कर के जो भी हलहो निकाला जाये और ऐसे अफसरों के खिलाफ एक्शन लिया जाये।

#### Decline in inward Remittances

S.N.Q. 20. SHRI JYOTIRMOY BOSU: Will the Minister of FINANCE AND REVENUE AND BANKING be pleased to state:

(a) whether as reported by the "Economic Times", New Delhi, dated 7th July, 1977 inward remittances of foreign exchange into the country are on the decline;

(b) whether it is apprehended that the gradual decrease in remittances through legal channels may be matched by an increase in remittances through the compensatory payments rackets; and

(c) if so, the facts thereof and action taken thereto?

THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. M. PATEL): A statement is laid on the Table of the House.

#### Statement

(a) For the reasons stated below, it is considered that merely on the basis of figures of inward remittances for two months, namely, April and May, 1977, referred to in the news item appearing in the "Economic Times" dated 7th July, 1977, it would not be correct to come to the conclusion that the remittances of foreign exchange into the country are on the decline:—

(i) The inward remittances for the months of April and May, 1975

were respectively Rs. 66.65 crores and Rs. 86.67 crores and of April and May, 1976 were respectively Rs. 109.73 crores and Rs. 115.33 crores. The corresponding figures for April and May, 1977 are Rs. 145.08 crores and Rs. 137.94 crores. This is clearly a substantial increase compared to the amount of such remittances for the corresponding months in the years 1975 and 1976.

(ii) The total amount of remittances from January to May, 1977 comes to Rs. 708.93 crores. The corresponding figures for the same period during 1975 and 1976 were respectively Rs. 376.39 crores and Rs. 579.87 crores.

(iii) Temporary fluctuations have been noticed in the amounts of inward remittances in the previous years also.

(b) and (c). In view of the facts mentioned at (a) above, there is no cause for any apprehension. However, the field formations of the Enforcement Directorate have been alerted to be vigilant against the revival of compensatory payments and appropriate action as required under law will be taken in every such case.

SHRI JYOTIRMOY BOSU: From the statement of the Finance Minister, it is clear that in 1975, between the months of April and May, there was an increase of over 40 per cent in inward remittances. The figures for 1976 shows that there was an increase of about 5 per cent. But in 1977, if you take into consideration the remittances for the months of April and May, it is Rs. 145.08 crores and Rs. 137.94 crores respectively. That means, even if you compare with the month of April and May, there is a decline to the extent of 5 per cent. That is also something which we should try to understand.

It is also a fact that certain people are trying to increase their activities of covering compensatory payments

and indulging in this racket and, if so, whether the Enforcement Directorate is terribly under staffed and much too small which was deliberately done by the previous Government and that this instrument was quite often used for black mailing people for political and other purposes? I would like to give an instance that the Bharat Hari Singhania of JK was caught manipulating in invoices and that they were allowed to go scot free and the order was issued on payment of Rs. 25 lakhs. I can give enough evidence on that.

I would like the hon. Minister to tell us what plans he has got to reconstitute the Enforcement Directorate to make it a full-fledged and elaborate and an effective one and, if so, within what date and, if not, the reasons thereof.

**SHRI H. M. PATEL:** It is our view that the enforcement Directorate is quite adequately staffed....

**SHRI JYOTIRMOY BOSU:** Not at all. I will quote from the utterances of the former Finance Minister.

**MR. DEPUTY SPEAKER:** Mr. Jyotirmoy Bosu, let him finish. You cannot make a running commentary on every sentence of his.

**SHRI H. M. PATEL:** I would like to assure Mr. Jyotirmoy Bosu as well as the House that I shall review the staff position of the Enforcement Department and, if necessary, in view of the present necessity of maintaining adequate vigilance, see if it needs any expansion.

**SHRI JYOTIRMOY BOSU:** Including coverage of increase in matching compensatory payments and the racket.

**SHRI H. M. PATEL:** That also.

**SHRI JYOTIRMOY BOSU:** There is widespread manipulation in in-

voices by big Indian houses as well as multinational corporations, I have got the Unstarred Q. No. 6277 which clearly on that. In the case of the Gramophone Co. Ltd., it says that adjudication proceedings, are pending before the Director of Enforcement. Take the case of the Brooke Bonds India Ltd. There was an under valuation of a consignment of 356 bags of black pepper tendered for export on October, 1972 to the extent of Rs. 25,142. A penalty of only Rs. 2000/- was imposed in lieu of confiscation and a penalty of Rs. 10,000 by the erstwhile Government. About the India Tobacco Co. Ltd. they are now occupying a bigger field. The under-valuation was to the extent of Rs. 11,630 of a consignment of 303 cartons of Frozen Shrimps attempted to be exported. A consolidated penalty of Rs. 2000 was imposed for manipulation to the extent of Rs. 11,630. The Union Carbide India Ltd. was also involved in serious invoice manipulations.

Sir, the country is losing Rs. 1000 crores a year through invoice manipulations. It cannot be taken so lightly. In this context, I am asking the hon. Finance Minister whether he will lay on the Table of the House a list of Companies, firms, and individuals against whom prosecutions/inquiries/prima facie complaints and evidences have been received between 1.1.70 to 31.3.77 and prosecutions launched, if any.

Is it also a fact that the erstwhile Government under Mrs. Indira Gandhi had circulated a confidential circular directing the Department not to pursue cases of invoice manipulations? Is it not a fact that mostly small fry were detained under COFEPOSA and that big fry and multinational corporations were allowed to operate freely? I would like to have a clear and categorical reply from the Finance Minister. Are they for multinational corporations? I want to know.

So, firstly I would like the hon. Finance Minister to lay on the Table of the House a list of companies, firms and individuals against whom prosecutions/inquiries, *prima facie* complaints/evidences were received and prosecutions launched, if any and, secondly, whether the confidential circular prevented the Department concerned to pursue any action against multinational corporations which were involved in invoice manipulations.

**SHRI H. M. PATEL:** I don't think that it will be possible to get seven years' figures that he wants to have.

**SHRI JYOTIRMOY BOSU:** So large.

**SHRI H. M. PATEL:** It comes to about seven years.

**SHRI JYOTIRMOY BOSU:** How many cases are there?

**SHRI H. M. PATEL:** I do not know. I shall certainly look into this thing, this list of cases which he referred to. The second point was about the circular that was issued. I will check what that circular is.

**SHRI JYOTIRMOY BOSU:** I want the circular to be laid on the Table of the House, because that can only be done by the man who is really anti-national. If you do not, I will do it: I will give you. I am cautioning you. It is in my possession.

**SHRI H. M. PATEL:** I have not seen such a circular and until I have seen it, how can I say whether it is proper to lay it on the Table of the House.

**SHRI JYOTIRMOY BOSU:** Why are you not taking the House into confidence? We have been impoverished every day, by the multi-national corporations. Why the circular should not be laid on the Table of the House?

**SHRI VASANT SATHI:** He is the custodian of all forged documents.

**SHRI JYOTIRMOY BOSU:** Your monopoly. (*Interruptions*)

**SHRI N. SREEKANTAN NAIR:** He has been making so many remarks.

**MR. DEPUTY-SPEAKER:** I have not heard them and I don't think you have heard them. (*Interruptions*)

**SHRI A. C. GEORGE:** The problem of inward remittances from foreign countries especially by the Indians who are employed in those countries is not a simple problem. It is widely known that it is these remittances or lack of remittances which were directly going for financing of the smuggling operations during 1975. The hon. Minister admitted that in January-May 1975, the figure was Rs. 376 crores; in January-May 1976, it was Rs. 579 crores and in January-May, 1977 it has gone up to Rs. 708 crores. It is widely known that last year in 1976 (Calendar year) if you make calculations, the inward remittances contributed nearly Rs. 512 crore and this went for strengthening of our foreign exchange resource also.

**AN HON. MEMBER:** Audit.

**SHRI A. C. GEORGE:** It is directly proportional to the smuggling activities also. So, the very figures that the Minister admitted, may be as tentative or just temporary, show that the smuggling operation has gone up, because the remittance is not coming means it is compensatory payment which directly contributed the financing of the smuggling operation. Will the hon. Minister look into this problem and see whether it has got relevance to the increase in smuggling operation, and also in November 1976, the Government of India, the Finance Ministry made a liberal provision to encourage Indians abroad to send their money through legal channels. Will the hon. Minister see that more liberalised encouragement is given to these remittances from

abroad, because it depends on the strength of the Indian rupee. So, the Indians abroad who are making, on an average, Rs. 150 crore per month as contribution—contributing to the strength of the Indian rupee—may be given more incentives so that they can be prompted to bring more remittance through legal channels.

SHRI H. M. PATEL: I could not follow the logic.

(Interruptions)

MR. DEPUTY-SPEAKER: Let him explain why he did not follow.

SHRI H. M. PATEL: The hon. Member is also infected by Mr. Jyotirmoy Bosu. Let me complete my sentence, at least before he proceeds to comment on it. What I was wanting to say was that the figures he read out, do not show an increase in smuggling. Inward remittances are made up of a number of items and that their increase shows, in fact, that if you think that they are only made up of....

(Interruptions)

SHRI A. C. GEORGE: It was increasing till 8th April; now it is decreasing after you came into power.

AN HON. MEMBER: Every day.

SHRI H. M. PATEL: The hon. Member thinks that the decrease is taking place day by day. I have already indicated that the total remittances are increasing and are continuing to increase. In the first five months of 1977, they are substantially higher. There are fluctuations: sometimes they go up and sometimes they come down. This used to be the case in the previous years also. Therefore, that, in itself, does not mean that the smuggling is either increasing or decreasing. I have not said that we are confident that the smuggling is not taking place or that it is on the increase or decrease.

I have said that we shall be vigilant and that we are taking steps to see that smuggling, if it is on the increase, is taken care of, is controlled.

So far as the Indians who are resident abroad are concerned, we have certainly given them all facilities in order that they may remit to India. If there is any concrete suggestion that the hon. Member wants to make, I shall be glad to consider it.

SHRI A. C. GEORGE: I was only submitting that more liberalised encouragement must be given to remittances from abroad.

DR. SUBRAMANIAM SWAMY: I would like to know from the Finance Minister whether he is aware that, at the initiative of his Ministry and the Commerce Ministry, under the previous Government, an Indo-British Group was set up during the Emergency in London in which a number of India-based British companies are involved and that the Government at that stage insisted that the Indian nominee on it should be Mr. Swaraj Kaul who also, according to reports published in London, functions as a man who makes illegal remittances and through whom all the fees were paid by the foreign companies to Mr. Sanjay Gandhi. I would like to know whether he will inquire into the formation of the Indo-British Group and whether he will also find out whether these multi-national companies' payments to Mr. Sanjay Gandhi were routed through Mr. Swaraj Kaul and the methods that were used for these.

SHRI H. M. PATEL: I take note of the information the hon. Member has given and I shall make enquiries.

SHRI VAYALAR RAVI: I do not know which figures are correct. The hon. Minister has given us certain figures on Friday in reply to Unstarred Question No. 3602, about these remittances: 1973 Rs. 396.11 crores; 1974-Rs. 569.31 crores; 1975 Rs. 1053.76

crores and 1976 Rs. 1514.86 crores. Mr. Basu please hear this. These are apart from remittances of Airlines, Shipping and others which is not much increased. The increase is by way of family maintenance, savings of non-residents, migrant transfer and money-order receipts. You have said that four incentives are given to them and that the major incentive is priority in getting scooter. In the context of this background, may I know from the hon. Minister whether he is aware that these huge remittances are coming from the poor people who are working in the Gulf countries and other areas. From my own constituency, nearly 10,000 people are working in the Gulf countries, and I know their problems. Have you studied their remittances, whether they are making bank savings or they are their bread-earnings? They are sending money every month to their families to live. And what are the incentives you are giving them? My personal experience is that these poor people who are coming from the Gulf countries are treated at Bombay customs like criminals. Some of them cried before me in Bombay. Even things like perfumes and sarees were taken away by the corrupt officials. All sorts of harassment is caused to these poor people. They have no savings and they cannot invest any money in any industry: they live from hand to mouth. In this background, will the Minister consider their problems specifically and offer some incentives including relaxation of baggage rules? I am making specific suggestion that a slab system be introduced in remittances and offer incentives. Apart from incentives, it should be ensured that no harassment is caused to them by the Customs when they come.

**SHRI H. M. PATEL:** I take note of what the Hon. Member says and will examine whether there are any complaints about the so called harassment when they come and, if there is such a thing, we shall see that they are not harassed.

So far as the question about incentives etc. is concerned, we shall certainly examine that also.

**SHRI SHYAMNANDAN MISHRA:** Have the Government attempted, even broadly, to classify the persons who are making these remittances that is, by profession and so on? Secondly, has the Government taken any steps to keep a check on illegal remittances and if so, what are they? Thirdly, what are the reasons for the recent increase in the remittances?

**SHRI H. M. PATEL:** Regarding the increase in remittances, I think the Hon. Member refers to the over-all figures. I think the answer to this point can only be that we have afforded them various facilities and have made various arrangements which encourage the people to remit their money to this country. For instance, we have given them the option of foreign currency also like Sterling and Dollars and interest is also provided on them. Things of this kind might have encouraged people to send money to this country.

So far as the first point is concerned, I do not think that we maintain accounts in such detail; but we shall certainly examine the possibility of doing so.

The Hon. Member also asked what checks we have on illegal remittances. The check is that as and when we come to know of any such case we go into it; otherwise whenever a remittance comes, we take it as a genuine one. It is only when information is received that there are reasons for suspicion that we go into it.

**SHRI M. RAM GOPAL REDDY:** External remittances should not only not go on reducing, but should go on increasing from month to month as has been happening in recent years. But

the Janata Government, after assuming charge, has, in its efforts, to make the people fearless, first made the smugglers fearless. The smugglers were all set free without any punishment and they have now resumed their smuggling activities and are mopping up all the external money and thus not allowing it into the country.

I would also like to know whether the Customs Office has shifted to the house of Haji Mastan.

**SHRI H. M. PATEL:** First of all, I think the Hon. Member should be aware that these smugglers were released by the Congress Government which was there; and it did so without taking any steps to see where they were going and what they were going to do thereafter.

So far as the question about the Mastan building is concerned, I am almost certain that the Customs office is not there, but if the Hon. Member has any special information, I shall be glad if he can give it to me.

#### WRITTEN ANSWERS TO QUESTIONS

##### Government Employees entitled for Type III living in Type II Quarters

509. **SHRI D. B. CHANDRE GOWDA:** Will the Minister of WORKS AND HOUSING AND SUPPLY AND REHABILITATION be pleased to state:

(a) whether there are a number of Central Government employees who are entitled to Type III but are living in Type II Quarters;

(b) if so, the number of such Government employees and since when they are residing in Type II quarters; and

(c) the criteria Government have adopted in this regard?

**THE MINISTER OF HOUSING AND SUPPLY AND REHABILITATION (SHRI SIKANDAR BAKHT):** (a) Yes Sir.

(b) 684; they are occupying type II residences from different dates.

(c) Officers who are entitled to particular types but are occupying lower type quarters, are allowed to continue there as long as they want and do not apply for quarters of their appropriate types. However, they have to pay higher rents even if they refuse allotments of their entitled type. Those entitled to type III but occupying type I quarters will be offered type III quarters in their turn on the basis of their priority.

##### 4-Point Technology for Groundnut Yield

\*512. **SHRI PRASANNBHAI MEHTA:** Will the Minister of AGRICULTURE AND IRRIGATION be pleased to state:

(a) whether agricultural authorities have evolved a new 4-point technology which is likely to double the existing per hectare yield of groundnut in Punjab;

(b) if so, the main points of the new technology;

(c) whether this new technology is also to be introduced in the Gujarat and in other States also; and

(d) to what extent this experiment is likely to be tried in Punjab and other States?

**THE MINISTER OF AGRICULTURE AND IRRIGATION (SHRI SURJIT SINGH BARNALA):** (a) and (b). The agricultural scientists of the Punjab Agricultural University are recommending a 4-point technology for groundnut in the State. The main points of this technology are:

(i) Cultivation of high yielding varieties, M-13 and M-145 and sow-