

word from his experience. At present, we have drawn up a renovation plan for about 33 lakhs of rupees, out of which we would like to take up 25 lakhs of rupees rightaway and another 6 to 7 lakhs of rupees later. We also want to improve the management, the efficiency of the hotel and services of the hotel and therefore a decision has been taken to upgrade the post of the Manager of the hotel to J.A. Grade.

SHRI BRAJAMOHAN MOHANTY. May I know whether the hon. Minister has figures about the percentage of the occupancy of the hotel and figures about the loss or profit. May I also know whether the hotel is earning profits regularly?

SHRI MADHAVRAO SCINDIA Sir, I am happy to inform the hon. Member that the hotel has been making profits. I have the figures from 1982 to 1987. The profit ranges, in each year, from a low of about one lakh fifty thousands to a high of about five lakhs ninety three thousands. This is the range. Unfortunately, the occupancy has dropped considerably from 49% to about 26% and as the hon. Member well knows, this is because of the mushroom growth of new hotels, the problems of sewage discharge into the beach, which we are trying to take up with the local authorities, the heavy establishment costs and what we thought was some sort of lack of professional management because primarily we are trained to run the railways, not to run the hotels and inadequate investment for renovation. That is why we have taken up this investment plan because we want to restore it to its earlier glory and also—improve the management by upgrading the manager so that there is a more professional and senior level of management.

SHRI CHINTAMANI JENA: May I know whether it is a fact that the foreign tourists are not coming to that hotel because it has not been upgraded as a 5-star hotel and, therefore, the occupancy got reduced last year? Has the Government any plans to make it a 5-star hotel so that the occupancy may increase?

SHRI MADHAVRAO SCINDIA: There is no need to make it a 5-star hotel as the requirements of 5-star hotel are not really necessary.

Gold Smuggling

*273. **SHRI PRAKASH CHANDRA:** Will the Minister of FINANCE be pleased to state:

(a) the quantity of gold smuggled into the country during the last 3 years, year-wise and State-wise;

(b) whether there has been spurt in gold smuggling in past few months; if so, the causes thereof, and

(c) the steps taken recently to contain this evil?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA) (a) to (c). A statement is given below.

STATEMENT

(a) and (b). Smuggling being a clandestine activity, it is not possible to estimate the quantity of gold that has been smuggled into the country as a whole or the quantity that has been smuggled into each State. However, the quantum and value of gold seized by the Customs authorities during the last 3 years are given in the table below.—

Year	Quantity of gold seized (in Kgs)	Value of gold seized (Rs in crores)
1987	2255	65.78
1988	6094	200.53
*1989 (upto 24.7.89)	5569	176.38

*Figures are provisional.

The increase in the value of the seizures

need not necessarily mean a spurt in the smuggling activities and it could be due to intensified anti-smuggling effort.

(c) The anti-smuggling drive has been intensified and the anti-smuggling machinery throughout the country especially in the vulnerable areas of land borders as also at the international airports has been geared up. Close co-ordination is being maintained with all the the agencies concerned in the detection and prevention of smuggling. Sophisticated equipment like: X-ray baggage machines, metal detectors and night vision binoculars are being increasingly used.

SHRI PRAKASH CHANDRA: I would like to know how many cases are ending against the smugglers in different courts for the last three years and what steps are being taken for early disposal of these cases?

SHRI A.K. PANJA: I have got figures from 1984 to 1989. The cases when instituted do not get disposed of in the same year. They are carried over. In 1984 the number of prosecution cases pending was 2069; 1985—2463; 1986—3106; 1987—3757; 1988—4223 and 1989—4589.

SHRI PRAKASH CHANDRA: What is the policy of the Government regarding disposal of the seized gold which has been procured from the smugglers in different years?

SHRI A.K. PANJA: The policy of the Government is that it is not disposed of in public but it is deposited with the Reserve Bank of India.

SHRI K.S. RAO: By any stretch of calculation a smuggler will resort to smuggling only if there is margin of 25 per cent profit. By one catch he losses 3 times the property apart from the punishment that the Government levies. From this we can understand that if the catch were put at Rs. 176 crores per annum the quantum of gold smuggled should have been ten times, namely, about Rs. 2000 crores. Every time,

when we ask on various platforms, the answer that we get from the Department is that there is no correct assessment of gold smuggling because it is a clandestine affair. I am not satisfied with this answer. How can the officials continue for ever to say that it is a clandestine affair and they do not have any calculation. I wish to know whether the hon. Minister will make some scientific assessment of the quantity of gold in terms of rate and weight and also bring out some stern measures to check this?

SHRI A.K. PANJA: We have taken stern measures to check this, but the clandestine activity is there. We cannot say that all gold which is coming in we can lay hand on it. Sir, our coastline is 5689 km and we find that gold smugglers are adopting the sea, the land and also the air for the purpose of smuggling. The land border is 9,712 kilometres. That's why to stop this activity, as far as possible, we are taking the help of Central Economic Intelligence Bureau....

SHRI RAM PYARE PANIKA: He has not asked about this. Be specific to the question.

SHRI A.K. PANJA: May I complete it? ...Narcotics Control Bureau, the Directorate of Revenue Intelligence, Preventive Collectorate and also the help of Coast Guard, the BSF and other border security forces. We must get some information input for the purpose of coming to know what is the total gold smuggled. The hon. Member said that because the amount is increasing, that is why more gold must be coming. It is not so. We have adopted a new procedure. That's why we could catch hold of gold of which I have given the figures in the answer itself. In the whole of last year, we could get worth Rs. 200,53,00,000. In 1987, it was worth Rs. 65,78,00,000. Because of the new strategy adopted, because of intelligence and giving information in various places, we have been able to lay hands on. Even up to 24th July 1989, it has crossed Rs. 176.38 crores. Therefore, there is no possibility of having any scientific assessment because the information input is not possible.