

[Translation]

PROF. NIRMALA KUMARI SHAKTAWAT: I would like to submit to the hon. Minister that black-money is the worst menace for our country. It is crippling the entire economy. There have been news reports in the newspapers these days that donations worth crores of rupees are being raised in the border areas of Delhi, which are adjacent to Haryana, for the conversion of black money into white. I would like to know from the hon. Minister whether he is aware of it and if so, what is the source of this black money and whether any survey or research has been conducted to find out whether these donations are being collected by or through the Chief Minister of Haryana.\*

[English]

MR. SPEAKER: No mention of name please.

[Translation]

PROF. NIRMALA KUMARI SHAKTAWAT: Does the hon. Minister propose to impose a ban on the collection of funds from the persons who went to convert their black money into white.

[English]

SHRI A.K. PANJA: We have information that such money is mostly unaccounted for money—but not always—which is being sought to be given for election purposes. But so far as the details are concerned, they are not with me. Regarding making law to prohibit such donation, it is for the Election Commission to decide and the Government of India to decide. (Interruptions)

[Translation]

SHRIRAMPYARE PANIKA: The matter should be investigated.

[English]

We are not asking for making laws. We are only asking for checking the black money which is being generated. (Interruptions)

SHRI A.K. PANJA: As the hon. Members have expressed their sentiments, I am certainly with them. But we can make investigation on certain positive information. Otherwise, sometimes it is alleged that we are taking coercive measures. If the hon. Members could write to me and give me positive information, not openly, then I assure that I will take steps.

[Translation]

SHRI DHARAM PAL SINGH: Instead of providing secret information, I place an open information before the House.

[English]

MR. SPEAKER: No. I cannot allow.

[Translation]

Please give it in writing.

#### Loss of Foreign Exchange in Diamond Trade

\*366. DR. B.L. SHAILESH: Will the Minister of COMMERCE be pleased to state:

(a) the net foreign exchange loss suffered during first quarter of 1989-90 in the diamond trade and the reasons therefor;

(b) the amount of foreign exchange allowed to diamond traders for their foreign travel abroad during the said quarter; and

(c) the remedial measures taken or proposed in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) to (c). A statement is given below.

## STATEMENT

During April-June, 1989, imports of rough diamonds were about Rs. 1142 Crores while exports of cut and polished diamonds totalled about Rs. 1100 Crores. The imported roughs are yet to be fully processed for exports. The net export realisation and value addition are computed on an annual basis. The question of having suffered a loss in foreign exchange or of recourse to remedial measures does not, therefore, arise.

Foreign Exchange may be drawn by exporters for various specified purposes including for travel abroad under the Blanket Permit Scheme of RBI which is operated on a yearly basis. Approvals for travel abroad do not have to be obtained by exporters under this scheme visit by visit. Foreign exchange is permitted to an exporter over the annual period at the rate of 2% of the FOB value of the export earnings repatriated subject to a ceiling of Rs. 2 Crores.

[Translation]

DR. B.L. SHAIKESH: Mr. Speaker, Sir, the hon. Minister has given a vague reply to my question. It has been stated in the reply that during April-June, 1989, imports of rough diamonds were worth about Rs. 1142 crores while exports of cut and polished diamonds totalled about Rs. 1100/- crores. On the basis of these figures, it is evident that during this period the Government had to incur a loss of Rs. 42 crores on account of import and export of diamonds. Will the hon. Minister be pleased to tell the net value of the diamonds imported and exported during the whole year, and the percentage of it shared by the Hindustan Diamond Corporation, a public Sector Undertaking, and other private agencies?

[English]

SHRI P.R. DAS MUNSI: Sir, first of all, I would like to inform the hon. Member that it is not a fact that there is a loss in diamond export in the first quarter. The factual position is that we import rough diamond quar-

terly, monthly, in whatever manner it is possible, from abroad based on valid import licences. But we do export. We do not take export monitoring process just month-wise. We make a total review annually as to the overall import, total value addition and the total turnover in the export. Now, the position as it is referred to by the hon. Member is this. In so far as first quarter is concerned, it is a fact that overall rough diamond import was for Rs. 1142 crores. And the export of cut and polished diamonds in the same period was Rs. 1100 crores. But the entire imports have not been processed. The export value of these imports when fully processed is Rs. 1700 crores. Thus, it is incorrect to state that there has been a loss of foreign exchange. By 31st July, 1989, the exports had reached Rs. 1457.5 crores as against imports of Rs. 1419.8 crores with an inflow of about Rs. 36 crores.

In so far as last year's export is concerned, it was a happy period in the sense that while our target was only Rs. 3,500 crores, the achievement was Rs. 4,230 crores... (Interruptions)

DR. B.L. SHAIKESH: You please mention about the private agencies.

SHRI P.R. DAS MUNSI: I am just coming to that. Now, I cannot name all the agencies individually. But I can inform the hon. Member that around 3000 persons are members of the Gem and Jewellery Export Promotion Council out of which 1000 units are active export units who do take to export of diamonds from time to time.

So far as detailed data is concerned about the company that the hon. Member has referred, I shall certainly collect the data of the company and inform the hon. Member accordingly.

[Translation]

DR. B.L. SHAIKESH: Mr. Speaker, Sir, I would like to know whether the hon. Minister is aware of the fact that the traders have been indulging large scale bungling and

unauthorised transactions of foreign exchange, because there is a wide gap between the official and non-official rates of diamonds? As a result of that these people are taking undue advantage of it, while the Government have been incurring loss of foreign exchange. What steps are proposed to be taken by the Government to check these illegal practices? Whether the Government is seized of these activities and whether in view of the above, the hon. Minister would direct the Indian consulates in foreign countries to keep appropriate vigilance or check in this regard so that the traders are kept under watch and the Government does not incur any loss on account of bungling in foreign exchange?

**SHRI P.R. DAS MUNSI:** So far as the matter of bungling in the foreign exchange is concerned, it is the matter directly concerned with the Ministry of Finance. If the hon. Member has some particular complaint with him regarding such bungling, only then his Ministry should be asked to take an appropriate action in this regard. So far as the export of diamonds and gems is concerned, the traders in our country have been doing good and satisfactory work. It is through them that we have succeeded to expand the export constantly and it has added considerably to the foreign exchange earnings of our country. It is due to this fact that gems and diamond export have become the leading sector as compared to all other items being exported by India and that is why the Government intend to give more incentives to the people engaged in this trade so that they may increase their export and thus assist the Government to earn foreign exchange. As the demand of Indian gems and jewellery in the international market has registered the optimum increase. We want that the Government should provide incentives on all such items of export which may bring in foreign exchange. If the hon. Member has got some complaint against some individual trader, then the Ministry of finance can be asked to take action against that trader.

[English]

### Contractors for Cleaning of Platform Tracks

\*367. **SHRI UTTAMBHAI H. PATEL:** Will the Minister of RAILWAYS be pleased to state:

(a) whether the work of cleaning and sweeping of platform tracks and railway premises at some of the stations on Western Railway has been entrusted to contractors, rendering a number of regular employees jobless;

(b) if so, the names of stations on Western Railway where the work has been entrusted to contractors, and the reasons therefor; and

(c) the number of employees rendered jobless and the steps taken to provide alternate jobs to them?

**THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA):** (a) to (c). The work of cleaning has been awarded to contractors at Kota, Hindaun City, Shri Mahabirji, Gangapur City, Bhawani Mandi, Ramganj Mandi, Indergarh, Lakheri, Bayana, Fatehpur Sikri and Surat Stations on the Western Railway for better working. But this has not rendered any regular employee jobless.

[Translation]

**SHRI UTTAMBHAI H. PATEL:** Mr. Speaker, Sir, in his reply to my question the hon. Minister has stated that the work of cleaning has been awarded to contractors at 11 stations including kota on the Western Railway for better working. But this has not rendered any regular employee jobless. I would like to know the total number of workers presently engaged for the work of cleaning under the contractors and the number of persons employed for this work earlier. Does the Government propose to take measures to absorb all those persons who have been