

request him to give us one more figure,... that is, what is the latest figure for the total amount of income-tax arrears..which have accumulated. Secondly, is it a fact that in the instructions or guidelines which have been issued regarding searches, it has been laid down that the searches should be confined only to the office premises of these people and not to their domestic houses or residences. This was stated here, I think during the budget discussions year before last, when there was a big hullabaloo by many big houses that their people are being harassed by searches by taking place in their residences and houses. It was decided that henceforth the searches would be confined only to the business premises and office premises of such people and not to their houses. Is it still continuing or not? If so, is it not leaving an obvious loophole? Secondly, will these people be let off from prosecution if they are prepared to express regret as some people have done? I do not want to name them. Everybody knows those cases of big business house people, who expressed regret and said that the evasion was not done deliberately but it was due to some mistake in the accounting or something like that and they gave an assurance that it will not happen again. If somebody does that, is he going to be relieved of the liability of being prosecuted? I want to know if that is also one of the guidelines or instructions which is being followed.

SHRI A.K. PANJA: To take the last point first, there is no provision that just by giving regret they will be relieved of their responsibility.

SHRI INDRAJIT GUPTA: It is not a provision in the law; I understand that.

SHRI A.K. PANJA: Not otherwise also. If they point out any mistake and after scrutiny that mistake is found, we correct it. But mere regret, whether it is in law or convention, does not relieve him from paying the tax. The second thing is that there is no provision that the residences will not be searched. This is continuing. I do not know from where the Member got this information. In fact, we are taking caution for the purpose of going inside the

residential premises. Until we cross check and there is some percentage of certainty, we do not want to do so. By adopting two-pronged policy i.e. asking the people to come voluntarily and an also taking deterrent measures, you will be pleased to know that the value of a particular seizure per search has gone up to Rs. 1.48 lakhs from Rs. 55,000 a few years ago. Therefore, we are getting certainty. We have opened a research cell and also information cell so that there is cross-checking.

So far as the first question is concerned about the total amount of arrears accumulated, the figures are not with me.

### Seizure of Photographic Goods

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\*65. SHRI SAIFUDDIN CHOWDHARY:  
SHRI AJOY BISWAS:

Will the Minister of FINANCE be pleased to state:--

(a) whether in December, 1987/ January, 1988 officials of the Customs Collectorate, Delhi seized cameras and other photographic goods of foreign origin worth lakhs of rupees in Delhi;

(b) if so, the details thereof; and

(c) the action taken by Government in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA): (a) During December, 1987 and January, 1988, the officials of the Customs Collectorate, Delhi, seized cameras and other photographic goods of foreign origin collectively valued at Rs. 7.85 lakhs.

(b) and (c). On 31st December, 1987, and 1st January, 1988, the Officers of Delhi Customs Collectorate searched the business premises of M/s Patel Roadways (Private) Ltd. 90-New Lajpat Rai Market, Delhi M/s Agarwal Brothers at 17/30 Kucha Chaudhary, Chandni Chowk, Delhi and M/s Agarwal Photosales at 17/16, Kucha Chaudhary, Chandni Chowk, Delhi,

and recovered and seized the above mentioned goods.

Three persons namely: S/Shri Anil Anand, Rajesh Gupta and M. L. Gupta were arrested in this case.

**SHRI SAIFUDDIN CHOWDHARY:** Smuggling is on the increase in the country and this is not only harming many areas of our indigenous industry but also undermining the economy as a whole. May I know from the hon. Minister whether it is a fact that despite many laws and efforts to curb smuggling it is not proving successful due to the nexus of the smugglers and politicians. Do you agree with me or not?

**SHRI A. K. PANJA:** So far as this case is concerned, I do not think it is correct to say that. So far as other cases are concerned, I have no knowledge.

**SHRI SAIFUDDIN CHOWDHARY:** In this case, he has to agree. There is a news item in 'The Times of India' dated 3rd January, 1988 with the heading 'MP's brother held for smuggling. Anybody's brother can be a smuggler. But in this case, he intervened to secure the release of his brother who was the culprit in this case. What is he to say about it?

**SHRI A. K. PANJA:** This report which has come to our notice is wholly concocted and untrue. Not a single Member of this House or of Rajya Sabha is involved nor the persons who were arrested, are anywhere related to any of the Members. The difficulty is that by these concocted reports, causes so much damages to apprehend the real culprits, we also face so many difficulties. So far as this case is concerned, the newspaper report has been referred to. It is not true that anybody interfered with the prosecution nor at the time of search and seizure nor involvement of any MP ever arose.

There is another point written here that the reporter quotes that in the arguments of the prosecution counsel, it was stated that political influence is coming. We have got a letter from the advocate himself. He wrote it down on the next day, after finding

this report, that no one ever made any such request to him, not even an M. P., nor did he ever argue before this Judge that there will be political pressure. Therefore, Sir, it is not correct.

**SHRI D. N. REDDY:** Sir, may I know from the hon. Minister whether he is aware that articles, including gold, seized by the Customs authorities are not disposed of in public, either by auction or by giving wide publicity, leading to many irregularities by the Customs? Will the Minister ensure that the goods are disposed of in a proper way in full public view?

**SHRI A. K. PANJA:** Sir, unless the hon. Member points out to any particular case, it is very difficult to answer. But so far as disposal is concerned, proper public notice is given. It is usually done by public auction. The various confiscated goods are sold only in accordance with departmental instructions on the subject.

#### Loan from Japan

\*66. **SHRI S. B. SIDNAL:**  
**SHRI MAHENDRA SINGH:**

Will the Minister of FINANCE be pleased to state:

(a) whether India has recently signed a 29 billion yen loan agreement with Japan;

(b) if so, the details of the agreement; and

(c) the commodities that would be imported and Scheme/Projects proposed to be implemented therewith?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) (a) to (c). A statement is given below

#### STATEMENT

(a) India has signed a loan agreement with the Overseas Economic Cooperation Fund (OECF) of Japan for loan of Yen 29.5 billion on 21st December, 1987.