

**Shri Supakar:** May I know what are these changes? Shall we have an inkling of them?

**Shrimati Tarkeshwari Sinha:** It seems that after the recommendation of the Chagla Commission and the assurance given by the Prime Minister to review section 27 of the Insurance Act, the Life Insurance Corporation has submitted a recommendation reviewing the whole position, modifying section 27A of the Insurance Act. They are under consideration of the Government and then they will be notified in the Official Gazette.

**Shri Supakar:** Is that the only change that is actually to take place?

**The Minister of Finance (Shri Morarji Desai):** It is not possible to give what changes are recommended till the whole thing is considered. After it is considered and a decision is taken, we will report to the House.

**Shri Prabhat Kar:** What are the main features, if not all, of these changes?

**Shri Morarji Desai:** Nothing can be said until it is properly considered.

**Shri Bimal Ghose:** Loans against mortgages were stopped for sometime. May I know if they are again going to be given?

**Shri Morarji Desai:** I do not know.

**Shri Khadilkar:** It was stated by the former Finance Minister that the policy of the Government was to support the market by purchase of selected scrips. Is that policy also altered under the new recommendation?

**Shri Morarji Desai:** Everything is under consideration.

**Shri Vajpayee:** May I know how long the Government will take to arrive at a final decision?

**Shri Morarji Desai:** Not very long.

**Shri Damani:** May I know whether one change in the personnel of the investment committee has taken place and if so, the reason thereof and the present set-up of the committee?

**Shri Morarji Desai:** Government has made no change.

**Shri Dasappa:** May I know what happened to the idea of the Government about the life insurance fund investment law?

**Shri Dasappa:** The other day a Bill was placed in our hands. Later on, they did not pursue the matter. I would like to know what has happened to that.

**Shri Morarji Desai:** That Bill is dead.

#### Gold Smuggling

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\*186. { **Shri Morarka:**  
**Shri Mohan Swarup:**  
**Shri Kumaran:**  
**Shri Ram Garib:**  
**Shri Kodiyar:**  
**Shri Vajpayee:**  
**Shri Hem Raj:**

Will the Minister of Finance be pleased to state

(a) whether Government or the Reserve Bank of India have made any estimate of gold smuggling into this country every year,

(b) if so, the countries from which it is smuggled,

(c) the total amount of such gold seized during the last three years, and

(d) the steps that Government have taken to check the same?

**The Deputy Minister of Finance (Shri B. E. Bhagat):** (a) to (d) A statement giving the information is laid on the Table of the Lok Sabha. [See Appendix II, annexure No 2].

**Shri Morarka:** From the statement it appears that during the last 2½ years gold worth about Rs 4 crores have been seized in the anti-smuggling operations. As against that, we understand, in one year alone the currency that has gone out of the country and repatriated was about Rs 30 crores. May I know whether Government has come to any conclusion as to how gold smuggling on this scale is taking place? May I also know what further action they propose to take to prevent this?

**The Minister of Finance (Shri Morarji Desai):** The profession of smuggling is as old as creation.

**Shri Morarka:** May I know whether Government has examined the reasons why gold is being smuggled? That is what are the import restrictions and what is the difficulty in the way of the Government in removing those restrictions and making import of gold free?

**Shri Morarji Desai:** The main reason for smuggling here is that the price of gold in this country is much higher than the price which is internationally obtained.

**Mr. Speaker:** The hon Member wants to know why the import of gold could not be made free.

**Shri Morarji Desai:** That is not possible.

**Mr. Speaker:** I would request hon Members to refrain from asking questions of policy during the Question Hour. Allowing free import of gold is a matter of policy.

**Shri Kadiyan:** May I know the number of persons so far arrested and number of cases charged and also the stages of those cases?

**Shri B. R. Bhagat:** A specific question to that effect may be put.

**Shri Vajpayee:** Is it not a fact that the largest amount of gold-smuggling is through the Rajasthan border? If so, what steps the Government propose to take in that border?

**Shri B. R. Bhagat:** It is not a fact that the largest amount of smuggling is through the Rajasthan border.

#### Indian Penal Code

\*188. { **Shri Kumaran:**  
**Sardar Iqbal Singh:**  
**Shri Ram Krishan:**  
**Shri Harish Chandra Mathur:**

Will the Minister of Home Affairs be pleased to state

(a) whether Government's attention has been drawn to Allahabad High Court's full bench decision that Section 124-A of the IPC is unconstitutional and void,

(b) the action taken by Government in the light of this decision, and

(c) whether the State Governments have been advised to regard this Section of the Code as void?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):**

(a) Yes

(b) The matter had already been referred to the Law Commission before the judgment of the Allahabad High Court and its views are still awaited.

(c) There is another decision of the Patna High Court which has taken a view contrary to the aforesaid decision of the Allahabad High Court. The matter is essentially judicial and can be settled finally only by the Supreme Court. No formal instructions have been issued.

**Shri Easwara Iyer:** In view of the fact that there are conflicting decisions of the High Courts on this point, may I know whether the Government is going to take an authoritative decision from the Supreme Court?

**Shri Datar:** The Government need not take up this matter. We have referred it to the Law Commission.