

[Translation]

SHRI RAM VILAS PASWAN (Rosera) Please call all the three Ministers (*Interruptions*) and ask them to give statements

[English]

We want to hear from Shri Kalp Nath Rai's mouth Who is responsible? The Prime Minister or PMO? He is responsible

[Translation]

Seven Ministers have resigned Shri Chidambaram resigned, Shri Solanki, Shri Antony Shri Shankaranand Shri Rameshwar Thakur, Shri Kalpnath Rai have also resigned (*Interruptions*)*

SHRI SHARAD YADAV If they do so then even Shri Narasimha Rao will not be allowed to speak (*Interruptions*)

11.12 hrs.

At this stage Shri Mohammad Ali Ashraf Fatmi and some other hon Members came and stood on the floor near the Table

(*Interruptions*.)

[English]

MR SPEAKER You please go back to your seats (*Interruptions*)

MR SPEAKER The House stands adjourned to meet again at 2 00 p m _____

11.13 hrs.

WRITTEN ANSWERS TO QUESTIONS

[Translation]

Hawala Rackets

*241 DR RAMESH CHAND TOMAR
SHRI PANKAJ CHOWDHARY

Will the Minister of FINANCE be pleased to state

(a) whether the Government have got any success in tackling the flourishing hawala market

(b) if so the details of hawala rackets busted during the last one year,

(c) the number of persons arrested and the amount recovered from them

(d) whether the Government have also unearthed the links of hawala racketeers with the terrorists and foreign tourists,

(e) if so, the details thereof, and

(f) the specific measures being taken by the Government to check hawala trade in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M V CHANDRASHEKHARA MURTHY) (a) As a result of the various measures taken by the Government in this regard, considerable success has been achieved in curbing hawala transactions Foreign exchange is now flowing through

official legal channels to a much larger extent than was the case hitherto

(b) and (c) During the current year (upto November, 1994), 1427 searches were conducted and an amount of Rs 6 99 crores (approx) was seized by the Enforcement Directorate from hawala operators 194 persons found to be involved in these rackets were arrested

(d) and (e) No such link has come to light

(f) Government is keeping a close vigil to prevent hawala transactions Intensive investigations are carried out and action as provided under the law is taken against the hawala operators

Financial position of the States

*242 SHRI UPENDRA NATH VERMA Will the Minister of FINANCE be pleased to state

(a) the States which have drawn the attention of the Union Government to the financial crisis being faced by them

(b) whether the Government have taken some steps to improve their financial position,

(c) if so the details thereof, and

(d) if not the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M V CHANDRASHEKHARA MURTHY) (a) to (d) State Governments are financially autonomous and they have their own sources of revenue Apart from that the States get grants or loans from the Government of India in various forms

The Government of India gives to the States share in some Central taxes and grants under Article 275 based on the recommendation of the Finance Commission

There is a scheme of Calamity Relief Fund (CRF) adopted on the recommendations of the 9th Finance Commission under which a Calamity Relief Fund is created for each State with 75% contribution from the Government of India and 25% contribution from the State Governments The States are required to bear the cost of relief against natural calamities from the CRF except for a calamity of huge magnitude requiring handling at the national level

The Planning Commission allocates Normal Central assistance for annual plans under a formula approved by the National Development Council Additional Central assistance for externally aided projects is also given to each State The States are also getting grants/loans under central Plan schemes or Centrally Sponsored Schemes The Planning Commission also allocates open market borrowings and negotiated loans to the States

The States also get loans from the Government of India against small savings. This depends on the net collections on small savings in the State

* Not recorded