

latest information, out of the total 1,17,783 sick units in the country as on december 31, 1985, West Bengal has 18,620, Tamil Nadu 15,171, U.P. 12,036 and the Union Territory of Delhi 2271.

So as a Member from West Bengal, I am very much concerned about this. Hence the matter may be allowed to be discussed in the House in the next week

[*Translation*]

SHRI KALI PRASAD PANDEY (Gopalganj): Mr. Deputy Speaker, Sir, I request that the following may be included in the week's agenda:-

Due to floods in the rivers Gandak Kosi and Ghagra and soil erosion caused as a result thereof, great devastation has been caused in Gopalganj, Siwan, Saram, eastern champaran, western champaran, Katihar, Purnea, Saharsa, Muzaffarpur districts in Bihar. Thousands of houses and lakhs of acres of land have been submerged in the river due to soil erosion and lakhs of persons have taken shelter at elevated places. The situation has become extremely grave.

Therefore in this grim situation I would request the Government of India to provide maximum Central assistance to Bihar so that the State government may be able to face the situation caused by the flood and soil erosion. A discussion should also be held in the situation caused by the floods immediately.

[*English*]

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SHEILA DIKSHIT): Sir, I have listened to the submissions that have been made by the hon. Member and we would try to accommodate as many subjects as we possibly can.

CONVERSATION OF FOREIGN EXCHANGE AND PREVENTION OF SMUGGLING ACTIVITIES (AMENDMENT) BILL— Contd.

[*English*]

MR. DEPUTY SPEAKER: Now, we shall take up Item No. 8 in the list of Business, that is, further consideration of the motion moved by Shri Janardhana Poojary regarding the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974. Shri Vyas to continue his speech.

[*Translation*]

SHRI GIRDHARI LAL VYAS (Bhilwara): Mr. Deputy Speaker Sir, section 9 of the Act says:-

[*English*]

Who are engaged in areas of highly vulnerable.....

[*Translation*]

I would like to know what is the definition of vulnerable areas which have been mentioned in it? Besides this, Karnataka, Maharashtra, Goa, Daman and Diu and Gujarat etc. are regarded as coastal areas but West Bengal has been left whereas it is a coastal area. Assam has also been left. Other eastern States have also been left. Do they not come under vulnerable areas?

Another thing is that you have treated desert areas in western side and border areas like Rajasthan, Punjab, Kashmir as vulnerable areas. May I know what is the reason behind it? The figures given to you in regard to the smuggling of hashish, heroin, gold, cloth and other items last year pertain to coastal areas. But you have not given figures about the smuggling activities that take place in these areas and neither have you stated the action taken by you. So, I say that the COFEPOSA Act is incomplete and in order to plug the loopholes, it would be necessary to include a number of areas

[Shri Girdharilal Vys]

which you have left and which come under vulnerable areas wheter they are in coastal areas or areas within 50 miles radius in which the areas of west Bengal, Assam, Maghalaya, other eastern states, Bihar and Orissa come. So that all these States may be treated as vulnerable areas. Besides, the entire border area between Nepal and Bihar, where smuggling takes place should be treated as vulnerable areas so that smuggling could be checked in the whole of the country. Therefore, it is my Sbmmission that this Act is incomplete. It seems that you have not studied ti properly. Many more areas should be included in the list of vulnerable areas.

The hon. Minister has stated that this Act has proved very effective. He said that goods worth Rs. 101 crores were seized in 1984, Rs. 195 crores in 1985, Rs. 216 crores in 1986, Rs. 109 crores in 1987. It seems that you have detailed only a few items. In my view if all the items are included in this definition, these figures will become astronomical and will reveal the actual magnitude of the smuggling which is increasing day by day. You have no control over them and neither you take strict action against them. Therefore, it is necessary to strengthen this law.

You have formed a committee which has been empowered to produce the person after his arrest before the advisory Board. The Advisory Board must work in the interest of country. The big smugglers should not be let off on technical or family grounds. These loopholes prove helpful to the smuggler and they resort to large scale smuggling.

Another thing I would like to tell that smugglers do not operate only in coastal areas. They also operate in the interior. They carry out smuggling activities from a remote distance. You have treated coastal areas as vulnerable areas so as to arrest them but instead the Act should be made applicable to them irrespective of their place of residence. Only then strict action can be taken against smuggling. The provision should be made more stringent in view of all these things.

You have quoted explanation (i) from an old Act of 1974. It says:

[*English*]

"the Indian Customs Waters contiguous to the States of Gujarat, Karnataka, Kerala, Maharashtra and Tamil Nadu and the Union Territories of Goa, Daman and Diu and Pondicherry."

"The inland area fifty kilometers in width from the coast of India falling within the territories of the State of Gujarat, Karnataka, Kerala, Maharashtra and Tamil Nadu and the Union Territories of Goa, Daman and Diu and Pondicherry."

[*Translation*]

I had submitted to you that instead those coastal areas which fall near the coast should be included in it. There is need to enclude areas like Rajasthan, Punjab and Kashmir in the western side. Smuggling activities are taking place on a very large scale there. If the smuggling activities are checked properly, the economic situation of the country can be improved a lot. There is a nexus between the movement in Punjab and the smuggling activities. Crores of rupees obtained through these activities are being utilised against the Government of the country and for creating Khalistan. The reason behind it is that the Khalistan activists are getting assistance through smugglers. They get funds, armaments and all kind of assistance. There is need to check these things is not effective. There is need to strengthen it. The State Police cannot maintain security along the border properly. You cannot control the state effectively. Therefore, you should create a post to control the border areas and coastal areas effectively. There is a great need to control the smuggling activities with a heavy hand.

You have said that the period of detention is three months and it can be increased to six months if there is some reason. In the vulnerable areas, this period can be increased to two years. Such traitors do great harm to the country. You say that the two

years period of detention is quite effective. The smugglers get all kinds of facilities inside the jail. The contact man can approach them and provide all help to the smugglers. They can even carry on smuggling activities from there. In my view they should be awarded life imprisonment. By making such a provision, the smuggling activities can be curbed. The country is suffering a great loss due to this. The economic condition is deteriorating. All the money is being sent to the foreign countries. You can save that money by checking smuggling activities and it will have good effect on the economy of the country. Therefore, there is a great need to strengthen this provision.

If it is proved that the person was involved in the smuggling, his entire property should be confiscated. These people have established their empire in Bombay and other places.

You enact stringent laws to put all the smugglers in India behind the bars. They should not be allowed to mix with the people. These people get encouragement because of their affluence. If you check their activities and seize their property, it will definitely curb their activities. Therefore, you may please enact stringent laws which may check all smuggling activities and the traitors may not get a chance to flourish. It is my submission to you and I hope that the hon. Minister of Finance will consider it and try to solve this problem, so that the traitors, engaged in smuggling are awarded deterrent punishment.

[English]

SHRI AMAL DATTA (Diamond Harbour): Sir, nobody can object to the Government taking stern action against the smugglers. The Government says that it is doing something. But, in fact, it does not do, which is apparent from the reasons given by the Government itself in the Statement of Objects and Reasons, appended to the Bill. In this the Government says that, in spite of the provisions which have been there for a number of years already, the smuggling

activities are going up. In the next sentence it says that it is necessary to have such an Act because this has proved to be a deterrent. Now, how does it prove to be a deterrent as well as it increases the smuggling activities. They cannot blow hot and cold at the same time. In fact, what happens when such a power of preventive detention is given in the hands of any authority? It becomes very lax. Its investigative and detective agencies do not work any more. It catches hold of anybody it can lay its hands on and it also becomes corrupt itself. Our practical experience in the field has shown that the preventive detention Acts under various names—now it is under the name of N. S. A. - have wrought havoc in the ordinary crime detection agencies of all the States because the police are no longer required to detect and get evidence of crimes and apprehend the criminals and bring them before courts of law where they are required to produce legally acceptable proof. Therefore, they can go and apprehend anybody and say that this person is put behind the bars for having committed such and such crime. In fact, what happens? Even if they are able to spot the person who is responsible for a crime, and in this case for a smuggling activity, they will call him to the Police Station or to their office, show him some proof which they may have got, which may not be an acceptable proof, show him the draft of the order which has been written and tell him, "Well, for Rs. 5,000 we will let you off". He being a smuggler is in a position to pay Rs. 5,000 or Rs. 50,000 or even Rs. 1 lakh, whatever is demanded, and he is let off. But when an innocent person is caught, he is unable to pay and such a person is put behind the bars on the strength of such an order; only the name is changed. What is the remedy against that? The Advisory Board. Any kind of fabricated evidence is put before the Advisory Board. They cannot check by cross-examination or anything like that. The officers write down notes and on the basis of the written notes, at the most on the basis of asking one or two questions to the officer concerned, without any proof, the Advisory Board confirms the detention. So, what Mr. Poojary is wanting us to support is some-

[Shri Amal Datta]

thing which is unacceptable in any democratic country. The Act is already there. That Act itself is bad. It has been made worse by having the period of detention enlarged to two years from one year. He says that the smuggling activities have increased in spite of this Act. I am reading out from the Statement of Objects and Reasons:

"A comparative analysis of the figures in regard to seizures of contraband goods effected in the said highly vulnerable areas.....

for which the two-year period is applicable

"during the last three years had revealed that the menace of smuggling has not abated in any way in the said areas."

Then what is the use of having this two-year period instead of one year? It is not that I am supporting the one-year period. But why this extraordinary measure when your own experience has shown that the menace of smuggling has not abated in any way-in your own language. In the next sentence he says that the longer period of detention for a period of two years has, however, proved to be a deterrent effect. How is it? It cannot be both. I hope Mr. Poojary will have something to prove that he can blow hot and cold at the same time.

Now, Sir, I say, this is an unacceptable thing in a democratic country. Not only that, it is bad for effectiveness and efficiency of the Government as such. We cannot go, we cannot live with such preventive detention laws for ever. In the meantime, there has been a complete break-down of the law and order machinery, of the ordinary machinery for detection of smugglers. Where are the intelligence agencies who are supposed to bring information about what kind of smuggling activities are going on; who are operating them; who are the beneficiaries of them; where the money is coming from; and where the procedure is going to? Nothing is avail-

able. Whom can they catch under this? Only those who are, maybe, caught red-handed, giving them the benefit of doubt that they have all the best intentions and best offices to implement this kind of act. All that they can do is to put behind the bars for a period of 3 years those paid agents or servants of the real smugglers. It is not possible through this kind of machinism to catch hold of a big fish who is operating from behind the screen. So, it is an ineffective act. If put to use, only one set of persons are put behind the bars to be replaced by another set of persons who, because there is not enough for them to eat or maintain the family, can take any type of hazardous job which has got in it the risk of even going behind the bar. They will come and do it in order to maintain themselves and maintain their family. In effect, Mr. Poojary's whole Objects and Reasons defeats the purpose of the Bill itself. When once said that it has not abated, then there is no further reason for supporting the additional period of two years which is, what this Bill is for.

Sir, lastly-there is nothing much to say because this is absolutely unacceptable-I come to the procedural propriety. Up to 31st July the previous Act remained valid. Now what happened was, according to them on 22nd of July, they promulgated an ordinance for the purpose of continuation of this Act for a period of three years beyond 31st July, 1987 knowing full well that the Parliament is going to meet. Lok Sabha is going to meet before the end of the period of previous Act, i.e. before 31st July. They could have brought it and got it passed in Lok Sabha. Nothing would have happened had they even not got it passed on 31st or before 31st July. Even if there was a gap, as it happens in the case of this Bill, he may say Lok Sabha was so busy. He apprehended that Lok Sabha will be busy with the Bofors 'Rs. 50 crores kickbacks. Therefore, he apprehended that the Bill may not be taken up, may not be given priority and, therefore, there will be a gap of 7 days. How does it matter? It has a gap of 7 days.

DR. CHINTA MOHAN: It was brought on 2nd July.

SHRI AMAL DATTA: On 2nd July, they apprehended, when we did not know, when the Lok Sabha is going to meet because usually it meets on 25th or 26th of July, and there was a clear period on all counts, of 10 days or so. It so happened, it was laid on that day. Before that they had brought this ordinance for a period of extension for 3 years. Why? This is highly improper. It should not be resorted to in future. This is not at all concerned with the tenet of democracy according to which the House is supposed to function.

Sir, I therefore, on this count, oppose the present Bill for the extension of the period as amendment of Section 9. That is all, Sir.

SHRI Y.S. MAHAJAN (Jalgaon): Mr. Deputy Speaker Sir: I rise to support the conservation of Foreign Exchange and Prevention of Smuggling Act 1974 (Amendment) Bill.

It is an important piece of legislation meant to deal with the growing menace of smuggling. Section 9 of the original Act provides for detention of any person who is engaging in smuggling activities in areas considered vulnerable for this purpose. The areas which are vulnerable are defined in the Act.

One Hon. Member on this side said as to why should other areas be not included among the vulnerable areas. Perhaps these areas which are defined as vulnerable because they have greater incidents of smuggling than in other areas. If persons engaged in other areas are caught, they are subjected to detention for one year. This section provides for detention only in cases of orders made before 31st July 1987. This Amendment Bill provides for continuation of the provisions of the Section 9 in cases of orders which may be passed during the period of three years after 31st August 1987.

An objection has been raised by the Hon. Member Shri Amal Datta to the Ordinance promulgated in this behalf on the procedural ground that if the Government had waited till the Bill was brought in this Session—even if

there had been a break of seven days—what would have happened. I am afraid the smugglers would have had to be let off and the work done during these previous years would have come to nought. In trying to defend the freedom of the individual, he has in fact argued which is in support of the smugglers themselves! It is very surprising the way people oppose the actions of the Government.

In the case of persons who are detained, the authority or the competent officer who passes the orders has to make declaration that the person is guilty of smuggling or is likely to smuggle, that he abets or is likely to abet the smuggling or he is guilty of engaging in transporting or concealing or keeping smuggling goods in the near future. Provided such a declaration is made he can be detained for a period of three years. In the case of such preventive detentions, the opinion of the Advisory Committee under sub-section 1 of Section 4 of Section 22 of the Constitution need not be obtained. This Advisory Committee is meant to protect the freedom of the individual. But in this particular case, the opinion of the Advisory Committee need not be obtained if such a declaration is made by the competent officer.

It must be admitted that but for these provisions of this Act, the activities of smugglers would have been on a much larger scale. It is in that sense that this provision has been described deterrent. It deters in the sense that but for it the activities would have been much larger. The objection to this provision on the ground that it violates the fundamental right of freedom is not correct.

Smuggling and related activities not only make it difficult to maintain law and order, they disrupt the economic life of the country. Because of these reasons, Entry 3 of List Three of the Constitution confers imposes on the Centre and States Legislatures the right to make laws on preventive detention for reasons connected with the security of the State, the maintenance of public order and the maintenance of supplies and services essential to the community. That had some effect in saving the foreign exchange

[Shri Y.S. Mahajan]

or in reducing the potential scale of smuggling. This cannot be denied. But still, inspite of this Act and the vigil of our Customs authorities, it cannot be denied that the magnitude of the smuggling operation is vast. It has increased tremendously. It threatens seriously the law and order position of our country and threatens to disrupt the economic life of the community.

The beneficiaries of these harmful and concealed activities spread right upto the big villages or towns to cities of our country. Wherever there are jewellery shops or market of foreign goods, you can be sure that smugglers have spread their tentacles to these establishments.

15.00 hrs.

Recently because of the smuggled imports of narcotics and other dangerous drugs, such as, heroin and brown sugar even students in universities have fallen a prey to them. According to a recent survey 37 per cent of the students of the Calcutta University and 33 per cent students of the Delhi University have been afflicted by this malady. All this is happening because these drugs are being smuggled on a large scale and made available to the people at reduced prices.

Sir, among the goods smuggled gold is the most attractive commodity because of our traditional love for it and because of the fact that internal price of gold is higher than that outside by about Rs. 800 per unit of 10 gms. I think we could reduce this price differential by stepping up the production of gold internally and secondly we could have gold bank or gold unit trust which could undertake the supply of gold or gold units and return physical gold at a future date. That will make possible greater re-cycling of gold supplies within the country.

Sir, much can be said about the other items which are smuggled, such as, synthetic fibre, electronic goods, watches, etc. Perhaps ways can be found to make illicit

trade in these goods less attractive first by producing these goods inside on a large scale and secondly by reducing the price differential between the internal price of these commodities and the prices at which they are available abroad. Perhaps these methods would yield better results if used along with the provisions of this Bill.

So far as narcotics are concerned the only way is to educate our young men and women, wean them away and also use the provisions of this Act more vigorously. If we do all these things, I am sure, the Bill as amended will be in their interest of the community.

SHRI RAM SINGH YADAV (Alwar): Sir, I rise to support the Conservation of Foreign Exchange and Prevention of Smuggling Activities (Amendment) Bill. At the outset I support the contention which was raised by Shri Girdhari Lal Vyas that the definition which has been appended with Section 9, which is sought to be amended by this Bill, needs to be re-considered at the hands of the hon. Minister because smuggling of narcotics, electronic goods and gold have been possible and during the last three-four years in Punjab and Rajasthan the smuggling of arms from our neighbouring countries has been causing a concern and giving rise to terrorist activities in various parts of the country. In view of these circumstances the hon. Minister needs to re-consider the definition of vulnerable areas. The vulnerable area does not mean that speedier access to the country can only be possible from the sea. It can be possible through inland areas also, such as the border areas of Rajasthan and Punjab along the Pakistan border. Sir, you are quite aware of the fact that our para-military forces and Customs & Excise personnel are doing their best. In spite of that, valuable goods in large quantities have been smuggled into our country from other parts of the world through Pakistan.

So far as drugs are concerned, Pakistan is re-routing them through India. Opium, charas, hashish and smack are brought to

India. In Pakistan, a number of persons are engaged in this trade. It is also adversely affecting India. What is smuggling? Smuggling means import and export of commodities or gold, etc., into the country from neighbouring or other countries. That may be through the sea or inland routes. Here I will stress upon the Hon'ble Minister that Explanation 1, sub-clause (i) and (ii) should, as a matter of fact, be amended. There should be separate clauses. In the initial Act of 1974, there was a provision of sub-clause:

- "(iii) such further or other inland areas not exceeding one hundred kilometres in width from any coast or other border of India, as the Central Government may, having regard to the vulnerability of that area to smuggling, by notification in the Official Gazette specify in this behalf."

Now, by amendment, you have narrowed down the distance from 100 kilometres to 50 kilometres. What is the reason and why you have done it? There was no need for narrowing it down. You should have expanded it. In the original Act, there was an explanation clause (ii) also in the case of any person detained under the preventive order. All the original sections and sub-sections appended to the "Explanation" have been done away with by way of amendments. I think the Hon'ble Minister will give due consideration to all this.

I expect that there should be amendments of a wider nature to cover up all the eventualities which have been experienced by the Customs & Excise Department as well as the para-military forces-BSF, CRPF or the Indo-Tibetan Border Police-posted on the border. They have got their own experiences to deal with the smuggling.

Sir, you want that drugs should not be smuggled into our country. At the very outset, it is very necessary that we stop production of drugs in our country. In my State of Rajasthan, Madhya Pradesh and some other parts of the country, poppy plants are

being grown. From poppy, the opium is being produced. Unless you discourage the cultivation of poppy or opium in those areas, this menace of drug addiction cannot be eliminated.

There is the programme of the UNO called UN Fund for Drug Abuse Control. This body is giving funds to the countries where poppy, etc., are grown. Therefore, those cultivators whose income is based on poppy cultivation should be given some alternative jobs.

They should be given some alternative holdings or some other provision should be made for them so that they can earn their livelihood and give up this poppy cultivation. The hon. Minister should consider this aspect also and he should have provided for the drug abuse control as well.

Another point is drug addiction. Social Welfare Minister is here and she knows and has also given a statement to what extent the drug addiction has spread in the nation. There has been one survey conducted by the Crime Branch of Delhi Police under the supervision of Shri A.K. Kanth. They interviewed about six thousand drug addicts and they have come to the conclusion that majority of them were regular drug addicts and peddlers. If that is the situation in the capital of India, we can well imagine the plight in the other parts of the country. The other revelation is that all the persons who were interviewed were in the age group of 16 to 30 years. Thus, the younger generation is very badly involved in drug addiction and the hon. Minister has to very carefully consider as to how the drug de-addiction programme can be implemented, specially in areas like educational institutions, hostels and other similar areas where these drugs are sold, used and consumed.

Then, pumping in of the foreign money is one of the very important factors as regards the economy of our country. There are so many voluntary welfare institutions in the country. I have read about them in the newspapers. There is one such institution known

[Shri Ram Singh]

as *Lokayan*. These institutions function only on the foreign donations. As far as I know, these foreign donations, when these come to the country, even the Intelligence agencies cannot question the person concerned it to find out from where the foreign money has come. That cannot be enquired into. You, as the Finance Minister of our country, should give powers at least to the intelligence agencies of our country so that they can find out from which country that foreign cheque has been received. Who is the man and for what purpose has the money been sent to this country? It is not only this institution, there are a number of other institutions also, who in the name of social welfare activities, in the name of religion, and in the name of other benevolent activities, receive foreign money. How do you control it? It is causing not only concern, but it causes unrest, communal riots and other riots. This is all happening because of the pumping in the foreign money into this country. There should have been some effective measures in this Bill. The hon. Minister should provide it now by means of some amendments.

Lastly, whatever goods are being seized by the Customs indicates that the incidents of smugglings are increasing day by day at the border. Hon. Minister needs to take very harsh steps. Whatever provisions he has made are quite relevant. I suggest that the definition of vulnerable area may be reconsidered. There is no necessity at all. All the border areas of the country are to be equally treated. You cannot distinguish smuggling at Jaisalmer or Barmer border areas from smuggling in the borders in Punjab. All the persons are guilty of the same offence and they should be meted out with the same punishment.

Therefore, it is very necessary, in view of the fact that smuggling activities are increasing day-by-day. With these words, I submit to the Hon. Minister that he may reconsider it and suggestions which have been given may be incorporated whenever he comes again with the amendment in the present Act because it is the need of the society and

these amendments are very necessary for the welfare of the Indian society.

DR. CHINTA MOHAN (Tirupati): Sir, smuggling in our country is not today's affair but it is continuing since long time back. To control the smuggling activities in our country and to keep a check on the smugglers, in 1974 we amended Article 359 of the Constitution and brought the Preventive Detention Act saying that some of the smugglers in the country are creating have for the economy of this country and so, we must keep a check on these people. In 1974 itself, we brought the COFEPOSA Act and in 1984 we again brought the same Bill and sent it for an ordinance to the President on the 2nd July. Today again we are amending the Section 9 of the COFEPOSA Act. The explanation of the statement given to the Bill is not very clear. The Minister said that some of the areas, particularly Gujarat, West coast, Kerala, Karnataka and Tamil Nadu are very vulnerable to the smuggling activities. We have no doubt about it, but other parts of the country like Indo-Nepal border, Indo-Tibet border and also the West Bengal, are equally vulnerable to these smuggling activities. I wish to refer to the 3 or 4 forms of smuggling that is going on in our country.

Very recently, there were so many seizures of gold that was being smuggled from Bombay. I congratulate the Customs Authority for seizing 1 Kg. of gold from the rectum of a person. It is very difficult but our Customs Authority has done it and finally that man was detained. Every year about 120 tonnes of gold is smuggled in our country, and gold smugglers are running the parallel economy in our nation.

Coming to the Polyester cloth, particularly from the Japan about 300 worth crores of polyester fibre is brought in our country.

The ball-bearings of worth Rs. 250 crores are brought to our country through these smuggling activities.

About 1 lakh people in our country are daily taking the narcotics like Opium and

Heroin. All these drugs are smuggled in our country and there are some religious sceneries in Delhi which are looking after all these activities.

I would like to know as to which section of this Bill is going to solve all these problems. The smugglers are bringing about 10,000 crores worth of goods, may be in the form of Polyester, Gold, or narcotics, into our country and are running the parallel economy. They are able to do away with all these activities only with the help of politicians.

A kingpin of smugglers by the name of Iqbal was arrested in Bombay and on the same day he was released. Which Section of this Act helped him to release, I would like to know from the Minister.

Secondly, some of the smugglers in Bombay during the day time are detained in the prison and in the night they are allowed to go to their residences. In the morning, they go back to the prison. Which section of the Bill is going to solve this problem? Sometime back in Tamil Nadu, a man called Varadarajan was arrested for smuggling activities. He was given the detention orders in Hindi. He did not know Hindi. He went to the High Court on the ground that he was given the detention order in Hindi and that he did not understand that language. The High Court gave a judgment that the order was not valid. I want to know as to which section of the Bill is going to solve this language problem. Finally, last year, one Central Minister's house was raided at one o'clock by one lady customs officer. At about two o'clock, one important officer, who is not working in the present Government any more, rang up and directed to stop the action that was being taken. The very next day, the lady customs officer was transferred to some other place. I do not understand this sort of double standards.

DR. G.S. RAJHANS (Jhanjharpur): It is wild allegation. He should substantiate.

SHRIP.M. SAYEED (Lakshadweep): He should not be allowed to speak like that. These are all wild allegations.

MR. DEPUTY-SPEAKER: Mentioning names of persons is not allowed.

SHRI SRIBALLAV PANIGRAHI (Deogarh): It is a very wild allegation. He should either substantiate it or withdraw it.

MR. DEPUTY-SPEAKER: I will go through the record to see if there is anything objectionable in it.

DR. CHINTA MOHAN: We are bringing all these laws to conserve our foreign exchange. But when we see the foreign exchange reserve position, we find that there is not much improvement. If we see the foreign exchange reserves, we find that in 1979 the reserves stood at Rs. 6,000 crores. In 1984, it increased to Rs. 7,200 crores. In 1987, it is only Rs. 7,600 crores. Even though we have all these Acts and Bills, we are not able to improve the foreign exchange reserves' position. At the same time, we are also not able to stop the smuggling activities. We are not going to stop the smuggling activities in the country, just by bringing out amendments to Acts, or even new Bills on the subject. So, we would like to know from the hon. Minister as to how he is going to check all these activities and see that the economy of the nation will improve.

With these words, I conclude.

SHRI A. CHARLES (Trivandrum): Thank you for giving me an opportunity to speak on this piece of legislation. I stand to support the COFEPOSA (Amendment) Bill, 1987 which has been brought forward with the limited purpose of giving statutory validity to the ordinance already promulgated for preventive detention of any person who is engaged in smuggling activities in vulnerable areas.

Sir, the need for taking stringent action against such offenders cannot be over-emphasised. It is estimated that goods such as gold, textiles, opium, *charas*, and other intoxicants and narcotics worth about Rs. 12,000 crores are smuggled into the country every year. Apart from the vast damage caused to our national economy, this large

[Shri A. Charles]

scale inflow of narcotic drugs is ruining the future of several thousands of youth in this country. All kinds of narcotic drugs which are smuggled into this country are easily available everywhere. They are made available very close even to the educational institutions—schools and colleges—of our country. Our children without realising the seriousness of it, get used to it and gradually become slaves of this very dangerous addiction.

In Kerala, very recently, two instances have come up. In yesterday's paper—*Keralakauudi*—a very leading Malayalam Daily published from the Capital city, a photograph of a university class room is given. There, these narcotic drugs are supplied. Even injections are being given. Surprisingly, just two weeks' back, from Kovalam—an international tourist centre—one foreign woman was arrested. Her identity was not known. She had a false Passport. She was trying to sell Charas. After medical examination, a shocking news came that she is afflicted with AIDS. So, immediately, she was taken to the Medical College Hospital. After interrogation, it was revealed that four persons of that town had even illegal connections with her. That has created a great furore. Sir, now you yourself can understand how this is ruining the very social structure and the life of our State. Therefore, definitely, we have to take very serious action to prevent these things.

In each and every newspaper, when we turn, there are news items that such goods worth several lakhs are daily being seized by the customs' officers. So, even a parallel economy is running. One of the reasons for this huge blackmoney is because of large scale smuggling. I share the feelings of one of the Members regarding the vulnerable area, which is defined in the Act. I do not think, it is sufficient to limit this exclusively for this area alone because especially in the border areas, the possibility of smuggling is more compared to other places. The goods may come from Pakistan, Bangladesh or for that matter any other nation, bordering India.

Sir, I am very much in doubt whether any serious action is being taken there. Because, from the statement of the hon. Minister, it seems that about 90 per cent drug addiction cases come from the vulnerable area alone. So my doubt is that no serious effort is being made in other areas to find out, who is the real culprit and to see that this drug trafficking is put an end to. It is reported that thousands of criminals accused of trafficking in opium, charas and other narcotics are convicted under Narcotic Drugs and Psychotropic Substance Act but finally they are acquitted on minor technical grounds. Under the Act, one of the provision is that, when such a person is taken into custody, the report should reach his immediate superior office within 48 hours. Only for this lapse several thousands of accused persons who are punished in the Lower Courts are acquitted. So, there is a doubt whether accused have any connections with the officers so that they finally come out of the court, taking advantage of the loopholes. I think in Haryana and Punjab High Courts, several decisions have come and even strictures have been passed by the judges against the officers.

Therefore, I would request the hon. Minister to look into these cases and see whether these officers could be punished for their lapses.

Lastly, I want to bring to the notice of the hon. Minister that these provisions should not be in any way misused. There are occasions when Customs Officers and Enforcement Officers charged with the responsibility of taking action on these, probably with a view to get illegal gratification harass people and they are in trouble. So, an appropriate administrative machinery should be laid down, so that any possible misuse of this Act is prevented.

With these suggestions, I wholeheartedly support the amendment now being moved with a view to giving validity to the existing provisions for three more years.
