

possible macro-economic instability. These preconditions include a sound and flexible domestic financial system able to adapt rapidly to changing situations, reduction in fiscal deficit, moderation in inflation, a sustained export performance and a further build-up of foreign exchange reserves. The on-going economic reforms, which aim at achieving these pre-conditions, will guide the timing and the sequencing of further capital liberalisation and facilitate a move to wards full convertibility of the rupee.

#### **North-East Drug Trade Routes**

1078. SHRI W.ANGOU SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the North-East drug trade routes;

(b) whether it is a fact that the Narcotics Control Bureau is helpless in checking the transportation of drugs from Myanmar into the North Eastern States;

(c) what measures have been taken up by Government to control the smuggling of drugs specially heroine to the country; and

(d) whether the Indo-Myanmar trade treaty will help drug trafficking?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) Yes, Sir.

(b) and (c) No, Sir. The Narcotics Control Bureau as nodal agency for drug law enforcement has taken following steps to control smuggling of drugs from Myanmar into North-Eastern States of India:—

(i) Instructions have been issued to all the enforcement agencies to maintain the utmost vigil and step up enforcement efforts under the stringent provisions contained in NDPS Act.

(ii) Due to NCB's persistent efforts, the Police forces of North-eastern States have been fully activated to take counter narcotic trafficking measures. The dedicated Narcotic cells are now operational in Nagaland Police, Mizoram Police, Assam Police and Manipur Police. In addition, similar dedicated narcotic cells have also been set up in the Customs and Central Excise formations at Shillong and Nagaland.

(iii) Training is being imparted to officers to improve their effectiveness. Vehicles and communication equipment have been provided.

(iv) Border Security Force has been vested with powers under the Customs Act to interdict narcotic drugs on the border in addition to the several Central and State Government enforcement agencies empowered under the NDPS Act.

(v) Reward scheme for informers and enforcement officers is being implemented zealously.

(vi) Quarterly coordination meetings chaired by DG, NCB are held regularly in New Delhi which are attended by all Enforcement agencies involved in fighting against drug trafficking, at the highest level.

(vii) A comprehensive bilateral agreement has been entered into by the Govt. of India and the Government of Union of Myanmar for reducing demand and preventing illicit trafficking in narcotic drugs.

(viii) The Govt. of India has provided two drug sniffer dogs and also trained dog-handlers to Myanmar for detection of drugs.

(d) The Indo-Myanmar trade treaty is in respect of specific commodities. This treaty has no provision for checking of drug trafficking from Myanmar to North Eastern States but Government of India has a separate Bilateral Agreement with the Government of Union of Myanmar for mutual cooperation for reducing demand and preventing illicit traffic in narcotic drugs and psychotropic substances and related matters, effective from 30.03.1993.

#### **Countries visited by members of Fifth Pay Commission**

1079. SHRI SANJAY NIRUPAM: Will the Minister of FINANCE be pleased to state:

(a) the names of the countries the members of Fifth Pay Commission visited during its term and the period of their stay in each such country, country-wise; and

(b) the total expenditure incurred on foreign visits of the Commission and its members, year-wise including details of budget earmarked and that actually incurred, year-wise on the Commission?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) The members of the Fifth Pay Commission visited Malaysia, New Zealand, Canada and United Kingdom. The period of their stay in these countries was as under:

Kuala Lumpur (Malaysia) —Three days.  
Wellington (New Zealand)—Four days.  
Ottawa (Canada) —ThreeDays.  
London (United Kingdom) —Four days.

(b)The Visits were performed during 1995-96. The total expenditure incurred on these visits was Rs. 15.78 lakhs approximately. The provision in the budget for 1995-96 for this purpose was Rs. 20.00 lakhs.

**Proposal for Reduction of Corporate Tax and Abolition of Double Taxation**

1080. DR. D. VENKATESHWAR RAO: Will the Minister of FINANCE be pleased to state:

(a) whether the All India Association of Industries has urged the Finance Ministry to reduce the corporate tax to thirty five percent and abolish double taxation to boost exports and give an impetus to the capital markets; and

(b) the other simplification proposed to be undertaken to widen the tax net?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) Yes, Sir.

(b) The Government proposals are contained in the Finance Bill, 1997.

**Government order regarding Investigations of Bank Officials**

1081. SHRI RAJ NATH SINGH:  
SHRI OP. KOHLI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have issued an order that the CBI will not investigate the affairs of bank officials above the rank of General Manager (equivalent to Deputy Secretary) without prior permission from the Ministry of Finance;

(b) if so, the reasons for the move to 'shield' bank officials and interference into the working of the prime investigating agency; and

(c) the steps taken to withdraw the order?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (c) The Government have not curtailed the powers of the Central Bureau of Investigation (CBI). According to the Single Directive, as amended from time to time, which has been issued after taking into account the views of the CBI, in regard to decision making level officers (Joint Secretary or equivalent or above) in the Central Government or such officers as are or have been on deputation to Public Sector Undertaking; Board level officers in Public Sector Undertaking; Officers of the Reserve Bank of India of the level equivalent to Joint Secretary or above in the Central Government, Executive Directors and above of the SEBI and Chairman and Managing Directors and Executive Directors and such of the Bank officers who are one level below the Board of Nationalised banks, there should be prior sanction of the Secretary of the Ministry/Department concerned before CBI takes up any enquiry (Preliminary Enquiry or Regular Case) including ordering search in respect of them. This provision in the Single Directive has been provided to ensure that the honest officers at the decision making level are protected against unnecessary investigation while the corrupt and guilty are punished. There is no proposal to withdraw the directive in this regard.

**Newsitem Regarding slow down in Economy**

1082. SHRI IQBAL SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item published in the "The Tribune" dated 5th February, 1997, under this caption "Economy to slow down";

(b) if so, the full details thereof, sectorwise and the reasons therefor; and

(c) Government's reaction thereto?