

and large sector? Is it a fact that some of the red-tape delays movement of the files or decisions? This hampers the productivity. May I also know from the Minister, what steps are proposed to be taken by the Planning Commission to eradicate this problem?

SHRI SUKH RAM: Madam, the question is pertaining to the study which has already been undertaken by the experts in the Planning Commission. As I said earlier, this is a continuing process and a number of studies are made by the experts in the Planning Commission. So if the member gives a separate notice, then, I will let him know which type of study they have undertaken.

SHRI VISHWA BANDHU GUPTA: Madam, I have mentioned about productivity also.

SHRI SUKH RAM: This paper itself deals with a number of questions which you have raised. As I said earlier, this will be premature to discuss the merits and demerits of this paper at this stage.

श्री शंकर सिंह बायेला : हमारी सरकार की ओर से वी० सी० आर०, मारुति कार, ब्लडज आदि के मामले में इम्पोर्ट आफ टेक्नालोजी हो रहा है। मैं यह जानना चाहता हूँ कि आ की इंडस्ट्रीयल पालिसी में कंज्यूमर आइटम्स के लिये टेक्नोलोजी इम्पोर्ट करने की क्या कोई योजना है?

श्री सुद्ध राम : कंज्यूमर आइटम्स के लिये हमारी कोशिश है कि उस में भी टेक्नोलोजी का अपग्रेडेशन हो और उस में भी इम्प्रूवमेंट हो।

THE DEPUTY CHAIRMAN: Q. No. 443.

Locking up of amounts of CSIR

*443. **SHRI ATAL BIHARI VAJPAYEE:**†

SHRI KAILASH PATI MISHRA:

Will the PRIME MINISTER be pleased to state:

(a) whether a sum of over Rs. 2 crores has been locked up during 1985-86

†The question was actually asked on the floor of the House by Shri Atal Bihari Vajpayee.

by the CSIR as advances to the suppliers and about one crore of travel advances given to their employees (not accounted for) and over Rs. 4 crores in the cheques issued but not presented; and

(b) if so, what are the details of the action taken, if any, and the results thereof?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND THE MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K. R. NARAYANAN): (a) and (b) A statement is laid on the Table of the House.

Statement

(a) and (b) The amount of unadjusted advances given to private parties for purchases of equipment and stores, relating to the year 1985-86, was Rs. 22.84 crores as on 30-6-1986. Out of this, Rs. 10.90 crores have been adjusted till 30th June, 1987. The amount of outstanding advances towards travelling allowances/leave travel concession, relating to the year 1985-86, was Rs. 56.24 lakhs as on 30-6-1986. This figure has been reduced by adjustment to Rs. 20.45 lakhs, as on 30-6-1987. Cheques issued amounting to Rs. 4.57 crores were not encashed by the payees. The validity of the cheques is for six months, and most of the payees present the cheques for encashment within this period. Cheques not presented to our bankers for encashment are ultimately cancelled as per procedure.

ATAL BIHARI VAJPAYEE: Madam, I have seen the statement which makes a very disturbing reading. We thought that the amount locked was only Rs. 2 crores. But the hon. Minister has come out with a startling disclosure and I am just quoting what he has said: "The amount of unadjusted advances given to private parties for purchases of equipment and stores relating to the year 1985-86, was Rs. 22.84 crores." It is not just Rs. 2 crores, but Rs. 2.84 crores.

Similarly, the cheques which were not encashed by payees, the amount involved

is not only Rs. 4 crores as we have put in the question but the amount is Rs. 4.57 crores. These are serious financial irregularities. Are we to understand that the financial control procedures are faulty or there are unscrupulous elements in the C.S.I.R. who are manipulating the finances for their own benefit?

SHRI K. R. NARAYANAN: Madam, I would like to explain the procedure in order to make this clear that the amounts are not actually locked up or wasted. (*Interruption*).

SHRI ATAL BIHARI VAJPAYEE: That is what your reply says. How can you explain away your reply?

SHRI K. R. NARAYANAN: I am going to explain it. In every laboratory, there is an objection book. When an item is ordered and advance payment is made, the Finance Officer makes a remark there and he removes this remark only after the equipment has been received, verified and installed and he has satisfied himself about the performance of the equipment. This is an internal procedure followed in every C.S.I.R. laboratory and therefore, the objection is removed only after the equipment is installed and its functioning is observed. When they are satisfied, only then the Finance Officer removes that objection. It is the report of the Auditor relating to that and therefore, this does not mean that the items have not been received or even utilised. It means that technically, that has not been taken out but we feel that the procedure has to be speeded up in the utilisation of the equipment and other supplies received and for which payments have been made.

As regards the outstanding cheques, our assumption is that cheques are paid, maybe before the end of the year. Many parties, for income tax statements or other reasons, probably, hold up their encashment so that they will put it in the next year. Anyway, this statement has been made. We have checked it up at the various laboratories and we have been informed that the outstanding uncashed

cheques now amount to Rs. 27 lacs only. We cannot do anything here because we give the cheques and the parties concerned have to encash them. We cannot force them to encash cheques but if they do not encash them within six months, the cheques are cancelled.

About the actual equipment utilization, we are not happy about it. We would like to speed up this procedure and therefore, we propose, first of all, to send an Audit Party from the Headquarters to the laboratories to check up and if necessary, to help them in this process. We are proposing to set up a Committee for looking into this whole question. If some of the laboratories do not, after ordering the equipment, utilise the equipment, as a final punitive measure, we propose that no further funds would be given to these laboratories until they utilise it, because the objection is removed only after the equipment is utilised. Because of this procedure, it is not as disturbing as it appears.

SHRI ATAL BIHARI VAJPAYEE: Madam, the hon. Minister wants us to believe that those who got the cheques were not interested in encashing them. I would like to know which are those parties and why did they not come forward to cash their cheques? Is it not a fact that there is a collusion between corrupt officials and these private parties? Madam, may I know whether after receiving the report of the Comptroller and Auditor General of India, any enquiry has been instituted to fix the responsibility for these financial bungsings?

SHRI K. R. NARAYANAN: Madam, about the cheques, I mentioned that only Rs. 27 lacs are outstanding today and not Rs. 4.57 crores.

SHRI ATAL BIHARI VAJPAYEE: Rs. 27 lacs is not a small amount.

SHRI K. R. NARAYANAN: I am not saying that it is a small amount.

THE DEPUTY CHAIRMAN: Let him answer. He is answering your question.

SHRI K. R. NARAYANAN: In any case, cheques would be automatically cancelled in six months if they do not encash them.

श्री कलशपति मिश्र : महोदया, सी० एस० आई० आर० सोसाइटीज एक्ट के अनुसार रजिस्टर्ड ग्टानोमस बाडी है। सरकार उसको ग्रांट देती है, 155 करोड़ 16 लाख 1985-86 में उसको ग्रांट दिया गया है। मैं जरा कम्पट्रोलर एंड आडिटर जनरल की एक छोटी सी पंक्ति पहले पढ़ देना चाहता हूँ—

The Comptroller and Auditor General has strongly criticised the CSIR over several crores of rupees wasted in various projects which were perceived even though little of benefit had come out of them.

मैं सरकार से जानना चाहता हूँ कि कम्पट्रोलर एंड आडिटर जनरल की रिपोर्ट क्या सरकार पढ़ती है, देखती है? उसके ऊपर कोई कार्यवाही होती है और अगर कार्यवाही होती है, तो इस रिपोर्ट के ऊपर अभी तक क्या कार्यवाही की गई है?

SHRI K. R. NARAYANAN: I think this question does not relate to the report of the Comptroller and Auditor General. It is the report of the Director of Audit. We have received the report of the Comptroller and Auditor General. In this report objections are raised by him and we are taking all the necessary actions for answering them and if there are any rectification of procedures or actions to be done, we are doing that too and appropriate replies would be given on that.

श्री कलशपति मिश्र : महोदया, कुछ तो उदाहरण दिया जाए कि क्या कार्यवाही अभी तक हुई है?

SHRI K. R. NARAYANAN: I can give examples on this specific question which is about the report of the Director of Audit on particular laboratories and

not about the Comptroller and Auditor General's report. Therefore, I have not come prepared with this larger question because this question is very specific. We can certainly answer these points if another question is asked.

SHRI N. K. P. SALVE: Madam, some of the facts and figures are indeed disconcerting. Perhaps we do not know the entire facts and that is why it appears to be disconcerting. I wish this question had not been politicised. What I would like to know is, from what the hon. Minister explained it seems they are debiting the purchases not when goods are received by them but only after they have verified that the performance of the goods adheres or conforms to the specifications. One can understand a large amount outstanding. But I am unable to understand how as on one particular date Rs. 56.24 lakhs are outstanding as advances towards travelling and leave travel and the same is again Rs. 20.45 lakhs as on 30.6.1987: May I know what is the procedure? Whenever you give imprest money or advance, are they not supposed to tender accounts within ten days, fifteen days or a month's time? If it is so, how such large amounts are outstanding as on different dates? That is number one. Number two is, you certainly said you give the money and the payee does not encash the cheques. But the story, to my mind, is a little incredible because why would not a payee encash the cheque? I am yet to see one who does not like money, especially in business. Therefore, the second part of my question is related to this. Have you prepared any reconciliation statement of the bank and if such reconciliation is prepared, how much is outstanding after the reconciliation?

SHRI K. R. NARAYANAN: I will explain. This is a report of the Director of Audit on the laboratories, not of the Comptroller and Auditor General. In fact, the report of the CAG does not contain these particular remarks at all. The report of the CAG does not contain this. This is, therefore, the Auditor's report of the laboratories made and this is not the accounting procedure. They have been looking at this book where payments are record-

ed. If an objection is made, the objection is never removed, according to the laboratory's practice, until the equipment has been received and utilised. This is not the account book itself but the objection book. This does not figure in the report of the Comptroller and Auditor-General himself.

SHRI A. G. KULKARNI: There is something wrong. It cannot be concealed. How can this be a procedure? What you are saying is wrong.

SHRI K. R. NARAYANAN: Anyway, we are prepared to look into this.

SHRI N. K. P. SALVE: This report has been laid on the Table of the House. Do we take it that the facts and figures are not correct?

SHRI K. R. NARAYANAN: The figure is correct, according to the book—they have observed and they have reported it is correct.

SHRI LAKSHMI KANT JHA: Is there a possibility that the cheques which are not encashed are really not delivered to the payees but held up somewhere in between in order to take some advantage? I find it very difficult to believe that somebody will get a cheque and not try to cash it immediately knowing that the cheque is going to lapse in six months. Nowadays everybody needs money. I just cannot accept as a likelihood that people will deliberately not cash a cheque in their hands if it reached them.

SHRI K. R. NARAYANAN: I think it is a possibility. We can look into that in any case. There is also the other possibility that the person who has received it—because there is a habit in Government of paying towards the end of the financial year—holds it up for the subsequent financial year...

SHRI A. G. KULKARNI: These cock and bull stories have no meaning.

THE DEPUTY CHAIRMAN: Order, order.

SHRI A. G. KULKARNI: Order is there all right, but these cock and bull stories have no meaning.

SHRI K. R. NARAYANAN: About the other point which was raised, about advances for travelling allowances, they have to be settled within three months under the rules and we have decided that if someone does not settle it within three months we will give notice and deduct the amount from his salary in instalments as a punitive measure.

SHRI AJIT P. K. JOGI: From time to time as many as four committees have gone into the working of CSIR and they have always severely indicted CSIR. The reports of the first two committees, viz. Justice Sarkar Committee and then Mudaliar Committee, somehow could not be implemented by Government and now we have the Abid Hussain Committee's report, I would, therefore, like to know from the honourable Minister if Government are considering this report and whether they are going to implement the recommendations made by this committee. I would like to know especially in regard to two recommendations, one relating to the transfer of laboratories and other organisations to the Ministries concerned, and the other saying that by 1990 these units must earn 30 per cent of their expenditure through consultancy. What is Government's reaction and attitude to these two recommendations of the Abid Hussain Committee?

SHRI K. R. NARAYANAN: The report of the Abid Hussain Committee has been referred to a high powered body: that is, the Scientific Advisory Council to the Prime Minister. They have examined this report and they have given their own recommendations which are under the very serious consideration of the Government and naturally when the Government decides on them, those decisions will be implemented.

SHRI P. N. SUKUL: I also fail to understand how funds totalling more than Rs. 56 lakhs could remain unaccounted for, unadjusted, pending as travel advance. Generally, what happens in the case of TA advances is that they are accounted for after the performance of the journey by way of submission of regular TA bills

and at least before the next journey is performed, that has to be cleared. It has to be cleared before the next TA advance is given to that man and it has to be cleared or duly accounted for by regular TA bills to be submitted later. So, I would like to know from the honourable Minister for how long these TA advances were pending and why.

SHRI K. R. NARAYANAN: Madam, this is for the year 1985-86. Obviously, it has been pending at least for one year and, as I told the honourable House, in future we propose to ensure that every Official who takes TA advance settles it within three months; otherwise, the entire amount would be deducted from his salary.

THE DEPUTY CHAIRMAN: Next Question. Question No. 444. Mr. Vaghela.

Steps for unearthing black money

*444. **SHRI SHANKER SINH VAGHELA:**†

SHRI PRAMOD MAHAJAN:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are determined to unearth black/unaccounted money and the accumulation of illegal wealth in the country and abroad by the industrialists, politicians and others; if so, the steps taken and proposed to be taken in this regard;

(b) what is the outcome of such efforts within the country and abroad during each of the last 3 years and the current year; and

(c) whether in finding out the illegal Indian money abroad, help of any foreign agency is ruled out?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) to (c) A Statement is laid on the Table of the House.

†The question was actually asked on the floor of the House by Shri Shanker Sinh Vaghela.

Statement

(a) to (c) Government is fully committed to unearth black money and arrest accumulation of unaccounted wealth by all classes of persons. Systematic survey operations and search and seizure operations in appropriate cases and deep scrutiny at the time of assessments are undertaken by the Income-tax Department to detect tax evasion which also serve as deterrent to other tax evaders. Searches and inquiries are undertaken by the Enforcement Directorate to detect foreign exchange irregularities which have resulted in detecting holdings in illegal funds abroad as well. The following are the results of searches conducted by the Income-tax Department:—

Year	Value of No. of searches	assets seized (Rs. in crores)
1984-85	4345	28.08
1985-86	6431	50.32
1986-87	7054	100.70
1-4-87 to 31-7-87	2469	32.89

The results achieved by the Enforcement Directorate for the corresponding period are as follows:—

Year	No. of searches	Seizure of Indian currency (Rs. in lakhs)	Seizure of foreign currency (Rs. in lakhs)
1984	2161	127.67	61.92
1985	4919	350.55	218.85
1986	4186	509.48	283.21
1987 (upto July)	1988	299.74	69.70

In regard to investigations of illegal money abroad, Government policy is to utilise the assistance of counter part tax