

Starred Question No 340 on the 3rd March, 1966 and state:

(a) whether the papers seized regarding the Income-tax and Customs duty evasion and 45 lakhs Hundis found out in searches in Calcutta have been scrutinised;

(b) whether the investigation has been completed and the names of persons involved and buildings searched could be given; and

(c) the action, if any, taken or proposed to be taken in the matter?

The Minister of State in the Ministry of Finance (Shri B. E. Bhagat):

(a) The seized papers are still under scrutiny.

(b) As the investigations are not yet over it would not be in public interest to disclose the names of persons and the premises involved in the searches.

(c) Action will be taken when investigations are completed.

U.S. Investment in India

*1022. **Shri P. C. Borooah:**
Shri Bagri:
Dr. Ram Manohar Lohia:

Will the Minister of Finance be pleased to state:

(a) whether talks with the Standing Committee on India of the U.S. Business Council for international understanding have been resumed to explore possibilities of investment of U.S. capital in India; and

(b) if so, the progress so far made in the talks and the prospects of U.S. investment under the Fourth Plan period?

The Minister of Finance (Shri Sachindra Chaudhuri): (a) Although there was a press report to the effect that the Standing Committee on India of the U.S. Business Council for International Understanding wanted to resume talks with the Government of India, there has been no approach as yet from the Committee.

(b) Does not arise.

Review of Structure of Controls

*1023. **Shri R. S. Pandey:**
Shri Yashpal Singh:
Shri Firodia:
Shri Mohammed Koya:

Will the Minister of Finance be pleased to state:

(a) whether it is a fact that Government propose to introduce some changes into the present structure of controls on different commodities in the country;

(b) whether it is also proposed to set up some machinery to examine the present structure of controls; and

(c) if so, when a final decision in the matter is likely to be taken?

The Minister of Finance (Shri Sachindra Chaudhuri): (a) Government keeps under constant review the structure of controls on different commodities. Any change can be announced only after a decision on it is taken by Government.

(b) There is already a regular machinery in Government to examine the structure of controls and no fresh machinery for the purpose is envisaged.

(c) Does not arise.

M/s. Golcha Properties Ltd., Delhi

*1024. **Shri Warior:**
Shri Vasudevan Nair:
Shri S. M. Banerjee:
Dr. U. Misra:

Will the Minister of Finance be pleased to state:

(a) whether Government are aware that Messrs. Golcha Properties Ltd., Daryaganj, Delhi have collected huge amounts to the tune of several crores of rupees by way of fixed deposit from public on attractive rates of interest;

(b) whether the aforesaid firm has invested these amounts in their own concerns;

(c) whether the firm has now refused to make repayment of the

deposits to the public on demand on the maturity of the hundis in contravention of the conditions laid down in the documents; and

(d) if so, whether Government propose to institute an enquiry into the matter?

The Minister of State in the Ministry of Finance (Shri B. R. Bhagat): (a) According to the particulars disclosed in the latest balance-sheet of the company, a sum of Rs. 105.24 lakhs was due from the company to various persons. This amount, it is understood, was obtained by the company against hundis at varying rates of interest.

(b) Yes.

(c) Certain complaints regarding the non-payment of deposits have been received, but it has not been possible for Government to ascertain the extent to which the company has defaulted in making payments.

(d) It will be open to the claimants concerned to institute legal proceedings for the recovery of the amounts due to them. The question whether any other action should be taken will be considered in the light of information which has been called for by the Reserve Bank.

Allocation for Irrigation and Power in U.P.

***1025. Shri Vishwa Nath Pandey:** Will the Minister of Planning be pleased to state:

(a) whether it is a fact that all the three Five Year Plans allocations for irrigation and power to Uttar Pradesh State have been meagre in spite of the fact that the per capita income in Uttar Pradesh is lowest and the population is the largest in the country;

(b) if so, the reasons therefor; and

(c) the steps taken to increase the allocation for the Fourth Five Year Plan?

The Minister of Planning and Social Welfare (Shri Asoka Mehta): (a) and (b). Allocations for Plan outlays for Irrigation and Power are based primarily on the specific needs of the investigated projects in respect of Irrigation and on the basis of load surveys for Power projects. The per capita approach is not altogether appropriate in making allocations for this sector. With the resources available, an attempt has been made to make the best possible allocation for Irrigation and Power projects in the last three Plans to meet the needs of the Uttar Pradesh. The total outlay for the three Plans is Rs. 110 crores for Irrigation and Rs. 225 crores for Power as against an all India outlay of Rs. 1,141 crores for Irrigation and Rs. 1,751 crores for Power.

(c) The allocation for the Fourth Five Year Plan has not yet been finalised.

Advance Insurance Company, Bombay

***1026. Shri Hukum Chand**

Kachhavalva:

Shri Daji:

Shri Onkar Lal Berwa:

Dr. Ranen Sen:

Shri Maurya:

Shri Vasudevan Nair:

Dr. Ram Manohar Lohia:

Will the Minister of Finance be pleased to refer to the reply given to Starred Question No. 445 on the 10th March, 1966 and state:

(a) the reasons for not renewing the insurance licence of the United General Trust Private Ltd;

(b) whether in order to safeguard the interests of the policy-holders and other sections of the public, the Controller of Insurance, Bombay has kept the Advance Insurance Company and Shri Goenka as its Director under close surveillance; and

(c) whether in view of his statement that under the existing Companies Act and Insurance Law, the aforesaid individual and the Advance