

so the question of recovery of tax and levy of penalty does not arise. However, on the basis of summary order under section 132(5) of Income-tax Act, 1961, cash and jewellery of the value of Rs. 5,51,908/- out of the seized assets have been retained for appropriation towards tax to be levied on regular assessment.

As regards violation of Gold Control Order, adjudication proceedings are not yet over.

(d) The question of prosecution on the Income-tax side will arise on completion of the investigations. Prosecution under the Gold Control Order will be considered after the departmental adjudication is over.

Currency Depreciation

*518. **Shri D. C. Sharma** : Will the Minister of Finance be pleased to state :

(a) whether the suggestion of the President of the Indian Insurance Institute to cover through insurance the hazards of currency depreciation has been examined;

(b) if so, the reaction of Government, thereto; and

(c) the steps proposed to be taken in the matter ?

The Deputy Minister in the Ministry of Finance (Shri L. N. Mishra) :

(a) to (c). The Life Insurance Corporation is of opinion that the suggestion which is based on the practice followed by certain Insurance Companies abroad is not one which needs to be, or should be introduced in India, specially in the circumstances prevailing in this country.

Import of Raw Materials

*519. **Shri Bibhuti Mishra** : Will the Minister of Planning and Social Welfare be pleased to state :

(a) whether it is a fact that he had stated while inaugurating the annual Conference of the All-India Manufacturers' Organisation that a certain

schedule of priority in production had to be set in the present context of shortage in the maintenance of imports of raw materials ;

(b) if so, the nature of the schedule ; and

(c) the extent to which Government propose to fulfil the necessities of the country's needs ?

The Minister of Planning and Social Welfare (Shri Asoka Mehta) :

(a) In my speech I had emphasised the need for selectivity in maintenance imports.

(b) and (c). Paragraph 64 of the Supplement to the Economic Survey presented to the House on 25th July, 1966 indicates the scheme of liberalisation of maintenance imports authorised by the Government for stepping up the productive capacity of the economy.

Raid on Wine-Bar in Central Calcutta

*520. **Shri Indarjit Gupta** : Will the Minister of Finance be pleased to refer to the reply given to Starred Question No. 1257 on the 21st April, 1966 and state :

(a) whether the C.B.I.'s investigation into the evidence disclosed by the raid on a wine-bar in Calcutta on the 8th June, 1965 has established that illegally imported goods were being handled there; and

(b) if so, the further steps proposed to be taken in the matter ?

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

(a) The large quantity of goods of foreign make and foreign currency notes seized from inside the bar provide *prima facie* evidence to show that illegally imported goods were probably handled in the bar;

(b) Adjudication proceedings by the Customs authorities against the proprietor, manager and other persons responsible