

M/s Oriental Timber Trading Corporation, (P) Ltd. Bombay.

26. Shri Hukam Chand Kachhavaia:

Shri Yashpal Singh:

Will the Minister of Finance be pleased to refer to the reply given to Unstarred Question No. 2284 on the 24th November, 1966 and state:

(a) whether the Income-Tax authorities have investigated into the transaction re: the supply of particular brand of paper by M/s Oriental Timber Trading Corporation (Pvt) Ltd., Bombay;

(b) if so, the findings thereof together with the amount borrowed from the Central Bank of India by selling paper to their own firm at Rs 3 per kilo; and

(c) if not, the reasons for which no action has been taken by Government in this connection so far?

The Deputy Prime Minister and Minister of Finance (Shri Morarji Desai): (a) and (b) Investigations are in progress.

(c) Does not arise

Illegal sale of foreign exchange in Delhi

27. Shri Hukam Chand Kachhavaia: Will the Minister of Finance be pleased to state

(a) whether it is a fact that a gang indulging in the illegal sale of foreign exchange has been detected in the Capital in December, 1966 by the Enforcement Directorate;

(b) whether it is also a fact that a traveller's cheque of eighty one thousand rupees has been recovered from them; and

(c) if so, the number of persons against whom action has been taken by Government together with the nature thereof?

The Deputy Prime Minister and Minister of Finance (Shri Morarji

Desai): (a) and (b). There was no seizure of traveller's cheque of the value of Rs. 81,000 in December, 1966 by the Enforcement Directorate, but on the 2nd December 1966 the officers of that Directorate apprehended in New Delhi three persons who were bargaining over the sale and purchase of three bank drafts drawn on a London Bank aggregating £3,880 (i.e. Rs. 81,480). The bank drafts in question were seized.

(c) These three persons were arrested in this connection by the Enforcement Directorate but were released later on bail. On verification all the three drafts seized were found to be forged. The case was handed over to the Central Bureau of Investigation. The CBI investigations disclosed that there were six persons involved including the three persons arrested by the Enforcement Directorate. Two more persons surrendered in court and were released on bail. The sixth person has yet to be secured. Further investigations are in progress.

Customs Raids in Calcutta

28. Shri Hukam Chand Kachhavaia: Will the Minister of Finance be pleased to state:

(a) whether it is a fact that the Customs authorities conducted raids in the first week of December, 1966 and recovered cloth worth Rs 60,000 from Burra Bazar in Calcutta and 170 totals of gold from General Post Office, Calcutta, and

(b) if so, the number of persons against whom action has been taken?

The Deputy Prime Minister and Minister of Finance (Shri Morarji Desai): (a) No such raids were conducted during the first week of December, 1966. However, on the 29th November, 1966 Customs Officers searched eleven shops in Burra Bazar, Calcutta, and seized nylon fabrics and brocades valued at Rs. 28,150 at the local market price.