

Racket about Bogus Firms and Foreign Exchange Remittance Busted by C.B.I. in Bombay

761. SHRI ANAND SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether a racket involving floating of several bogus firms and remittance of foreign exchange to Dubai was busted in Bombay by C.B.I. with the arrest of at least seven persons around January 24, 1985;

(b) if so, the details of the racket, including its modus operandi, as revealed by the investigations; and

(c) the steps taken or being taken to effectively curb such rackets?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). The C.B.I. has registered a case, u/s. 120-B I.P.C. r/w. section 420 I.P.C. and section 56 r/w. section 8 (3) (4) of Foreign Exchange Regulation Act, on the basis of a complaint received by it from the Enforcement Directorate, alleging that certain persons had fraudulently remitted foreign exchange, in the name of some fictitious firms, to Dubai again forged documents for imports.

In this case, eight persons were arrested by the C.B.I. on 22nd and 23rd January, 1985. On the same days, the promises of these persons had earlier been searched by the C.B.I., after obtaining warrants from the Court, resulting in seizure of incriminating documents. The arrested persons were produced before the Court. Two of them were released on bail while six were remanded to Police Custody till 31.1.1985 and subsequently released on bail on orders from the Court.

As investigations, by the C.B.I., in the case are in progress, it would not be expedient to disclose further details at this stage. On completion of investigations, appropriate action will be taken in the matter.

[*Translation*]

Employment of Persons of Affected Areas in M/s Bharat Refractories, Uttar Pradesh

762. SHRI HARISH RAWAT: Will the Minister of STEEL, MINES AND COAL be pleased to state:

(a) whether Government are aware that contrary to their previous assurance/claim, M/s Bharat Refractories, Devalthal, Uttar Pradesh are appointing persons belonging to areas outside the limits of the affected areas as Class III and Class IV employees; and

(b) if so, the total number of such appointments made so far and the details of the action proposed to be taken by the Government to check such appointments in future?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH): (a) and (b). The Pithoragarh Magnesite Project of Bharat Refractories Limited at Devalthal in Pithoragarh District of Uttar Pradesh is at present in the pre-constructional stage. While making recruitment, Bharat Refractories Limited give preference to persons displaced on account of the project, scheduled classes, scheduled tribes and ex-servicemen in accordance with instructions issued by the Government of India. Out of thirty persons employed so far against Class III and Class IV posts, only four persons belong to areas other than those which are going to be affected by the project. Out of these four persons, three belong to Districts of Pithoragarh and Almora, and one person, who is posted at the railhead at Tanakpur, belongs to Azamgarh District of Uttar Pradesh.

Frauds Committed in State Bank of India, Gandhinagar Branch, Gujarat

763. SHRI R P. GAEKWAD: Will the Minister of FINANCE be pleased to state:

(a) whether a number of frauds were committed in the State Bank of India, Gandhinagar Branch, Gujarat, involving lakhs of rupees since the Gandhinagar Branch was opened;

(b) whether employees of the said branch were involved in the fraud;

(c) if so, the number of such employees, the total amount involved in each fraud and the action taken against these employees; and

(d) the steps taken to prevent recurrence of such frauds in other nationalised banks?