

News Item Captioned "2 Steel Firms held under COFEPOSA"

2913. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to the news item captioned "2 Steel firms held under COFEPOSA" appearing in "The Statesman", New Delhi of 12th November, 1985;

(b) if so, the facts of the case referred to therein;

(c) the modus operandi of such fraud and why it could not be detected earlier; and

(d) the action taken or proposed to be taken in the matter presently and the preventive measures proposed to be taken for future ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir.

(b) to (d). S/Shri Govind Ram Agarwal, Shankarlal Saraf and Radheshyam Tulsian of Calcutta were detained under the COFEPOSA Act in connection with the cases of under-invoicing of imports, mainly of stainless steel circles, angles, G. P. Sheets, coils etc., evasion of customs duty amounting to crores of rupees and forgery of import licences pertaining to period from 1981 to 1984. The cases were detected from 1983 onwards but collection of evidence, including the information and real invoice value of the goods took some time. Also the parties were able to obtain injunctions from the High Court against the Customs officers investigating the cases, which are still in force. Steps have since been taken to have the injunctions vacated so as to investigate the cases thoroughly. Documents submitted by the importers for the customs clearance of high premium goods of these kinds are being subjected to closer scrutiny.

Proposal to Export Raw Jute for Earning Foreign Exchange

2914. SHRI INDRAJIT GUPTA : Will the Minister of TEXTILES be pleased to state :

(a) whether it is proposed to export raw jute in order to earn foreign exchange;

(b) if so, to which countries and at what price;

(c) whether jute mills were asked to purchase raw jute stocks adequate for maintaining six weeks' inventory;

(d) whether 50 per cent of the mills have failed to do so; and

(e) whether any action will be taken against such defaulting mills ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Yes, Sir.

(b) The Jute Corporation of India is exploring the possibility of export of raw jute both to the Rupee Payment Area and General Currency Area countries. They have recently signed a contract with USSR for export of 28,000 bales of raw jute valued at Rs. 2.43 crores for December, 1985/March, 1986 shipments under Trade Plan for 1985. Negotiations for export contracts with Poland have been initiated.

(c) to (e). An statement is attached.

Statement

In order to arrest declining trend in raw jute prices, an Order dated 6-9-85 was issued by Jute Commissioner under Clause 9-A of Jute (Licensing and Control) Order, 1961 on 54 working private sector jute mills, directing them to make their purchases of raw jute in such a manner as to ensure raising of their individual inventory of raw jute equivalent to six weeks and weeks consumption requirements by 30-9-85 and 31-10-85 respectively. On a review of latest situation, timelimit for building up ten weeks' stock level has been extended by an Order dated 31-10-85 and mills have been directed to ensure that their stocks do not go below ten weeks' level upto 30-11-85.

The performance of 44 mills based in West Bengal, to whom the above order is applicable, is as under :