

Violation of Foreign Exchange Regulation Act

2649. SHRI BANWARILAL PUROHIT: Will the Minister of FINANCE be pleased to state:

(a) whether the officials of the Enforcement Directorate at Bombay arrested some persons for violating the Foreign Exchange Regulation Act (FERA), 1973 during the past six months;

(b) if so, the details thereof; and

(c) the action contemplated by Government against these persons?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). During the last six months ending 30th June, 1989, officers of the Directorate of Enforcement at Bombay had arrested 60 persons. Out of these, 46 persons have since been released on bail. Two persons are continuing under judicial custody as they could not furnish bail bond as per orders of the court. Remaining 12 persons are in judicial custody as per orders of the courts.

Appropriate action is taken against the offender as warranted under the law.

Circulation of Freak Currency Notes

2650. SHRI BANWARILAL PUROHIT: Will the Minister of FINANCE be pleased to state:

(a) whether the circulation of freak currency notes is increasing day by day;

(b) if so, the details of freak currency seized by the Reserve Bank of India during the last one year; and

(c) the steps taken by Government to investigate the channel by which such freak currency is in circulation?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Freak currency notes, also called defectively printed notes, are very rare in comparison to the total printed notes in the country. The 2 currency/bank note printing presses at Nashik and Dewas printed a total of 6754 million pieces of notes during 1988 and 3455 million pieces of notes in 1989 (upto June). Out of this, only 1229 notes were found to be defectively printed in 1988 and only 180 defective notes were noticed in 1989 (upto June). The currency/bank note printing presses exercise minute control so that defectively printed notes are not despatched to RBI. Whenever instances of defectively printed notes are brought to the notice of the concerned presses disciplinary action against those workmen who have handled these notes at the time of printing/despatch is initiated.

Drug Smuggling from Burma

2665. SHRI BANWARILAL PUROHIT: Will the Minister of FINANCE be pleased to state:

(a) whether there has been an unprecedented spurt in drug smuggling from Burma during the last few months;

(b) if so, the number of times, the Customs authorities conducted raids at Indo-Burma border to unearth the drug traffickers during the past few months; and

(c) the steps Government propose to further strengthen its machinery at Indo-Burma border?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE