

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE):**

(a) About 188 cases are pending trial against smugglers in different courts at Bombay.

(b) The Law Commission in its 47th report had recommended setting up of special courts and amendment of procedures with a view to cutting out delays for trial of economic offences. These recommendations are under examination.

(c) Out of 321 cases decided since 1972, in 62 cases only fines were imposed and in about 175 cases simple imprisonment of only one day was awarded.

**Ban on use of Foreign Trade Marks by Companies**

763. SHRI BHAGIRATH BHANWAR:  
SHRI MADHU LIMAYE:

Will the Minister of FINANCE be pleased to state:

(a) whether foreign companies allow the use of their foreign brand names on the basis of some *quid-pro-quo*;

(b) if so, whether Government propose to prohibit immediately the use of foreign brand names in the field of consumer industry in order to prevent leakage of foreign exchange; and

(c) if not, the reasons for not taking immediate action under the Foreign Exchange Regulation (Amendment) Act?

**THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM):** (a)

From the applications received by the Reserve Bank of India under Section 28 of the Foreign Exchange Regulation Act for the continued use of foreign trade marks/trade names, it is observed that there are cases where foreign companies have permitted the use of their trade marks/trade names for a consideration.

(b) and (c) Under Section 28 of the Foreign Exchange Regulation Act, general or special permission of the Reserve Bank of India will have to be obtained by foreign companies or Indian companies with more than 40 per cent non-resident interest to permit the use of their trade marks and brand names. The formulation of guidelines in this regard is under the consideration of Government.

**Raids by Income Tax Authorities**

764. SHRIMATI ROZA DESHPANDE:  
SHRI SHIV KUMAR SHASTRI:  
SHRI SHANKAR DAYAL SINGH:  
SHRI M. RAM GOPAL REDDY:  
SHRI D. K. PANDA:  
SHRI CHANDULAL CHANDRAKAR:  
SHRI C. K. CHANDRAPPAN:

Will the Minister of FINANCE be pleased to state:

(a) the number of raids conducted by Income Tax Authorities on tax evaders in the country State-wise, and the total undisclosed assets recovered during the current financial year so far; and

(b) the number of persons arrested in this connection and action taken against them?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE):**

(a) The number of searches conducted by the Income-tax authorities in the various charges of Commissioners of Income-tax during the period April to September, 1974 and the value of assets seized in these searches is given in the statement attached.

(b) The Direct Tax Acts do not contain any provision for arrest or detention of any person for tax evasion, as such. The seized materials in all the cases are under scrutiny.

In cases where cash and other valuable articles have been seized, proceedings for passing of orders under section 132(5) of the Income-tax Act, 1961 estimating the undisclosed income

in a summary manner have been initiated. Further action as called for under the law will be taken. Penalty and/or prosecution provisions will be invoked wherever called for.

## Statement

Commissioners' Charge	No. of searches	Total value of assets seized**
		(Rs.)
Andhra Pradesh	2	..
Assam]	2	..
Bihar . . . . .	13	20, 56, 000
Bombay . . . . .	53	1, 17, 36, 188
Delhi . . . . .	30	1, 18, 92, 194
Gujarat . . . . .	16	20, 17, 774
Kerala . . . . .	36	10, 83, 857
Kanpur . . . . .	86	49, 94, 250
Lucknow . . . . .	16	29, 16, 473
Bhopal . . . . .	2	28, 900
Madras (Tamil Nadu) ] . . . . .	41	40, 64, 184
Nagpur . . . . .	5	..
Karnataka . . . . .	16	12, 23, 921
Poona] . . . . .	51	20, 90, 426
Patiala . . . . .	164	42, 32, 719
Rajasthan . . . . .	6	26, 45, 000
West Bengal . . . . .	19	19, 18, 611
Amritsar ] . . . . .	64	65, 23, 103
Orissa . . . . .	1	..
TOTAL . . . . .	623	5, 94, 23, 600

\*\*Note : Besides, a large number of incriminating books of account and documents have been seized.