

(b) The Third Central Pay Commission had recommended an Insurance Scheme which provides for a cover of Rs. 5,000 on death while in service and return of the principal amount of the contribution without interest, on retirement, on a monthly contribution of Rs. 5. This was discussed with the representatives of the Staff Side in September, 1973 but was not acceptable to them because they considered the endowment element in the scheme to be inadequate. The Haryana Government scheme, on the other hand, does not provide for any endowment element at all.

Steps to Check Smuggling on India-Bangladesh Border

1793. SHRIMATI SAVITRI SHYAM: Will the Minister of FINANCE be pleased to state:

(a) whether a meeting of India and Bangladesh security officers is expected to be held shortly to check smuggling between the two countries;

(b) if so, the venue of the meeting and the main subjects to be taken up in this regard; and

(c) the particulars of the items smuggled into and out of India annually and cost thereof and its adverse effects on the economy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) and (b). Presently, there is no such proposal before the Government.

(c) Goods of third country origin such as cloves, cinnamon, camphor, ball bearings, chemicals, watches, fountain pens, blades and synthetic yarn and goods of Bangladesh origin like poultry products, fish, hides and skins, live-stock, pulses, chillies, garlic, tamarind, jute gunny bags, currency etc. are mainly smuggled into India from Bangladesh. Goods smuggled from India to Bangladesh consist mainly of textiles, readymade garments, cotton yarn, biri leaves, cate-

chu, betel leaves, fresh fruits, tez-pata, mustard oil, salt, glass bangles, iron nails, medicines, and several other varieties of stationery and luxury goods etc.

The value of smuggled goods seized on the Indo-Bangladesh border is as follows—

1971-72	—	Rs. 14.46 lakhs
1972-73	—	Rs. 53.93 lakhs
1973-74	—	Rs. 71.25 lakhs

Judging from the value of goods seized it will be seen that smuggling on the Indo-Bangladesh border is not so large as to have significant adverse effect on our economy.

Meeting of Finance Minister with Chairmen of Nationalised Banks

1794 SHRIMATI SAVITRI SHYAM: Will the Minister of FINANCE law will be taken.

(a) whether any meeting has been held between him and the Chairmen of nationalised banks; and

(b) if so, the subjects discussed and decisions arrived at?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) and (b). A meeting of the Chairmen and Managing Directors of public sectors banks was convened by the Union Finance Minister on 26th October, 1974. There was a general discussion on matters relating to trends and problems in the banking industry, scrutiny of top borrowal accounts, credit planning during the ensuing busy season.

Raid by Income Tax Authorities

1795. SHRIMATI SAVITRI SHYAM: Will the Minister of FINANCE be pleased to state:

(a) whether a number of Raids were carried out by Income Tax authorities in various parts of the country during the last week of October, 1974;

(b) the outcome thereof; and

(c) what action has been taken in each case?

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

(a) Yes, Sir.

(b) and (c). Seized documents and books of account, etc. are under scrutiny. In cases where valuable assets have been seized, action for passing orders under section 132(5) of the Income-tax Act, 1961 determining the undisclosed income in a summary manner and retaining the seized assets to cover tax liabilities has been initiated. Further action as called for under the law will be taken.

Foreign Exchange Rackets

1707. **SHRI BIRENDER SINGH RAO:**
SHRI MUKHTIAR SINGH MALIK:
SHRI CHANDRA SHEKHAR SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have unearthed large scale foreign exchange racket carried out by some foreign elements working mostly in the coastal areas of India;

(b) if so, whether any arrest has so far been made in connection with irregular foreign exchange transactions; and

(c) the rackets so unearthed and action taken by Government in the matter?

THE MINISTER OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) to (c). Information is being collected and will be laid on the Table of the House.

Unearthing of Illegal Transactions in U.P.

1798. **SHRI K. LAKKAPPA:**
Will the Minister of FINANCE be pleased to state:

(a) whether illegal transactions to the tune of rupees ten crores were unearthed in U.P. on the 17th October 1974 by the Customs and Income Tax Departments;

(b) whether in this raid largest amount of black money was unearthed;

(c) if so, the facts thereof; and

(d) the actions taken by Government against the culprits?

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

(a) to (c) Searches were conducted by the Income-tax authorities in Kanpur in 5 different cases on 17-10-1974. Total concealment in these cases taken together is estimated to be of the order of Rs. 23 lakhs only. There have been other searches in which larger amounts of black money were unearthed. There was no major raid by Customs on that date.

(d) The cases have been centralised with a senior Income-tax Officer for investigation.

Distribution of Stainless Steel to Small Scale Industries in Karnataka

1799. **PROF. MADHU DANDAVATE:**
Will the Minister of COMMERCE be pleased to state:

(a) whether Government have been inquiring into the actual supply of stainless steel as permitted by Government through M/s. Karnataka Export House to small scale industries in Karnataka and Maharashtra.

(b) if so, the findings of the inquiry; and

(c) the action taken against M/s. Karnataka Export House for their alleged illegal distribution?