

tion of sanctioning the project will be considered after the investigations are complete and the project is finalised.

PHYSICAL VERIFICATION OF GODOWNS

2529. **SHRI PREM CHAND VERMA** : Will the Minister of WORKS, HOUSING AND SUPPLY be pleased to state :

(a) whether the physical verification of godowns belonging to his Ministry has been undertaken during the last four months;

(b) if so, whether shortages were discovered and the quantity of each material which was found short; and

(c) the action taken against the staff responsible for the custody and whether any persons were arrested and prosecuted or departmental action taken against them?

THE DEPUTY MINISTER IN THE MINISTRY OF WORKS, HOUSING AND SUPPLY (SHRI IQBAL SINGH) : (a) Yes.

(b) Only minor discrepancies were noticed. These are under reconciliation/investigation in the respective units.

(c) The discrepancies are being looked into and the question of taking suitable action will be considered wherever necessary.

SEIZURE OF SMUGGLED GOODS NEAR BOMBAY HARBOUR

2530. **SHRI PREM CHAND VERMA** :

SHRI BIBHUTI MISHRA :
SHRI MADHU LIMAYE :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that on the 24th August, 1967 three foreign boats carrying goods silver bars, nylon, blades, foreign currency and travellers cheques were apprehended by the Customs Officials near Bombay harbour;

(b) whether it is also a fact that the smugglers offered considerable resistance before surrender;

(c) the value of goods seized and the countries from which the smuggling was indulged and whether any foreigners were arrested; and

(d) the action taken in the matter?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) : (a) Yes, Sir. The boats were apprehended on the 25th August, 1967.

(b) Smugglers in one of the boats offered some resistance.

(c) Foreign exchange worth £20,350 and U.S.A. \$5,656 was seized from one boat. Silver ingots valued at Rs. 6,68,109 were seized from the second boat. Foreign cigarettes, blades and nylon yarn totally valued at Rs. 3,51,500 were seized from the third boat. The foreign exchange and silver ingots were intended for export to Persian Gulf areas and the other goods were smuggled from Dubai. Twenty-four foreigners were arrested.

(d) As stated in reply to part (c), the goods have been seized. Besides, the three foreign mechanised sailing vessels have also been seized. Adjudication proceedings are being initiated.

The crew members, 33 in all (24 foreigners and 9 Indians) and 2 local Indian fishermen found in one of the vessels were arrested and were released on bail. All these persons are being prosecuted in a court of law.

COST OF PRODUCTION OF GOLD IN KOLAR GOLD MINES

2531. **SHRI VIRENDRA KUMAR SHAH** : Will the Minister of FINANCE be pleased to state :

(a) the reasons for the increase in the cost of production of gold produced per ounce at the Kolar Gold Mines from Rs. 367 in 1961 to Rs. 450 in 1966-67;

(b) the reasons for the decline in output of gold at the Kolar Gold Mines from 1,36,498 ounces to 91,500 ounces during the above period;

(c) the difference between the international price for gold and the cost of production of gold in India;