

important beach. But, I have already expressed our inability and difficulty, that is that we have not got sufficient funds to take up all the beaches.

#### Seizure of cash during raid on a Scooter manufacturing firm

\*68. SHRI NARSINGH NARAIN PANDEY: Will the Minister of REVENUE AND BANKING be pleased to state:

(a) whether in a search in May, 1976 Rs. 52.50 lakhs were seized from a scooter manufacturing firm;

(b) if so, the facts thereof; and

(c) whether forty-four bank lockers have been opened to know exactly the amounts, documents and jewellery thereof and the name of company?

THE MINISTER OF STATE IN CHARGE OF THE DEPARTMENT OF REVENUE AND BANKING (SHRI PRANAB KUMAR MUKHERJEE): (a) to (c). Search and seizure operations conducted by the Income-tax authorities in the Bajaj group of cases have resulted in the seizure of assets worth over Rs. 58.69 lakhs. The names of the companies, individuals and other persons covered together with details of seizures made are given in the statement laid on the Table of the House. [Placed in Library. See No. LT-11061/76]. One of the companies belonging to this group viz. M/s. Bajaj Auto Ltd., Bombay is manufacturing scooters.

Cash, jewellery, fixed deposit receipts/ promissory notes of the value of Rs. 56,500/-, Rs. 6,16,074/- and Rs. 1,19,900/- respectively have been seized from the 42 lockers opened. These seizures form part of the total seizure of over Rs. 58.69 lakhs. The remaining two lockers are yet to be opened.

SHRI NARSINGH NARAIN PANDEY: Sir, I would like to know whether the attention of the hon. Minister has been drawn to a news item appear-

ing in *Times of India* dated 27th May, 1976 wherein it has been said:

"A large volume of incriminating books of accounts and other documents have also been recovered and seized by the search parties and are being scrutinised. The seized documents include numerous cheques signed in blank by various persons for allotment of scooters on priority basis in their names, a large number of blank stamp papers purchased in various years and a private pocket diary of the Director of a company containing code words about certain bank lockers, etc.

One of the seized documents indicates payment of commission of Rs. 1,25,000 to a party for securing export orders. It is stated that the said party is not assessed to tax and did not render any services for securing any export orders. The seized documents scrutinised so far, *prima facie*, indicate tax evasion and avoidance by this group of persons on a very large scale."

Now, this is the information which has been revealed and published in a daily newspaper. I would like to know whether the attention of the Government has been drawn to this and what action has been taken in this respect so far?

SHRI PRANAB KUMAR MUKHERJEE: Sir, we have seen the newspaper item. We have seized a number of incriminating documents, but you will appreciate it will take some time to examine these documents. The investigation is still in process. Two lockers are still to be opened as the owner of these lockers is not available in India. He is abroad. Till he comes back we cannot open the lockers. It will take some time to examine these documents also. When the matter is still under investigation it will not be possible to discuss the same in detail.

SHRI NARSINGH NARAIN PANDEY: Sir, according to law 90 days period is enough to prosecute the persons against whom these seizures have taken place. May I know why so far

no action has been taken against these people. Further, Sir, out of 114 board of directors and executives only 63 searches have been made and others have been left so far. I want to know what action the Government proposes to take against these persons and also whether the Government will confiscate the properties under MISA of all these persons whose properties have been seized in this way?

**SHRI PRANAB KUMAR MUKHERJEE:** Sir, the statement which I have attached to the answer indicates that as many as 63 premises have been raided and the hon. Member will appreciate when a raid like this takes place it will take some time to arrive at a final decision.

Regarding confiscation of property, Parliament itself has passed a law and that law does not extend to these cases.

**SHRI CHINTAMANI PANIGRAHI:** While I congratulate the Minister and the Ministry on taking this bold action for making these searches, may I know from the hon. Minister how many days are still left for completing these 90 days so that action will be taken immediately against these persons?

**SHRI BHAGWAT JHA AZAD:** Ninety days in normal times, but during emergency?

**SHRI CHINTAMANI PANIGRAHI:** Yes, emergency is also there. But supposing 90 days have to pass, how many days are still left so that we can know that immediate action will be taken against these firms? Also may I know whether Government will also carry on these raids in other big business houses which have been left out so far?

**SHRI PRANAB KUMAR MUKHERJEE:** So far as the carrying on of raids and searches is concerned, it is a continuous process. Whenever we get information on tax evasion, irrespective of whether it is a big or small house, we carry on raids.

Regarding the time, I would request the hon. member to keep in mind that within 90 days we have to make a summary assessment. But a full assessment of cases of this type cannot be confined to a period of 90 days. It takes much more time.

**SHRI CHINTAMANI PANIGRAHI:** What time?

**SHRI PRANAB KUMAR MUKHERJEE:** That is difficult to indicate.

**MR. SPEAKER:** He is not in a position to say. What can we do?

**SHRI BHAGWAT JHA AZAD:** There is a specific question being repeated. Out of 119 directors, the premises of only 63 have been searched. Why have the others been let off? Are they big enough, strong enough, powerful enough to elude search? What is the matter?

**SHRI PRANAB KUMAR MUKHERJEE:** I can impress upon the hon. member that whenever we have information, on the basis of that, we do it.

**SHRI BHAGWAT JHA AZAD:** This is all connected with Bajaj.

**SHRI PRANAB KUMAR MUKHERJEE:** On the basis of the information received, we have taken action against all persons, against all premises

**SHRI BHAGWAT JHA AZAD:** Again the same story is being repeated.

**SHRI PRANAB KUMAR MUKHERJEE:** No, Sir. I am sorry I could not complete it. We have taken action against all persons and against all premises on the basis of information received.

**SHRI S. A. SHAMIM:** We want a new story.

**SHRI PRANAB KUMAR MUKHERJEE:** Against all persons, against all premises, wherever we have got information, we have taken action.

**SHRI S. M. BANERJEE:** I must candidates during elections. It is said netted this Bajaj group who were supplying scooters and money to various candidates during the elections. It is said that examination of the seized documents so far has revealed to *prima facie* case of tax evasion and avoidance of tax on a very large scale by this group of persons. Still two lockers are to be opened. I wish him all success. But I want to know whether these seized documents or investigations reveal that a sum of Rs. 1,20,000 was paid to a candidate in Rae Bareilly in fighting election against the Prime Minister, Shrimati Indira Gandhi. That is number one. Secondly, I want to know whether scooters were supplied there, whether it is in his knowledge that scooters were supplied to a particular candidate. Are these facts or not, whether scooters were supplied and money, was actually flown there? The Prime Minister was blamed during the elections for having amassed wealth. The time has now come when there should be a proper scrutiny of whether this Bajaj group of industries did supply Rs. 1,20,000 in cash and scooters to a particular candidate. Are these facts revealed in the documents?

**SHRI PRANAB KUMAR MUKHERJEE:** We have got some information, but, as I have already mentioned to the hon. member, it will require some time to examine it in detail.

**SHRI S. M. BANERJEE:** I am leveling this charge.

**SHRI BHAGWAT JHA AZAD:** Let him say whether the information that Rs. 1,20,000 was paid is correct or not.

**MR. SPEAKER:** He said he has some information.

**SHRI BHAGWAT JHA AZAD:** On this particular case. He should say yes or no. Rs. 1,20,000 have been paid. We know it. Let Government say whether they know it.

**SHRI PRANAB KUMAR MUKHERJEE:** I have already mentioned that we have some information.

**SHRI BHAGWAT JHA AZAD:** This particular information?

**SHRI PRANAB KUMAR MUKHERJEE:** Yes. Why should I hide it?

**SHRI S. M. BANERJEE:** Rs. 1,20,000 and scooters also. But how many scooters were supplied? Nobody gives me a scooter. This particular candidate was given so many scooters.

**श्री राम प्रबलार शास्त्री :** ठीक ने जवाब नहीं देगे तो कते काम चलेगा ? इनको ठिपाना नहीं चाहिये ।

**MR. SPEAKER:** What is unsaid is more important. Shri Indrajit Gupta.

**SHRI INDRAJIT GUPTA:** I agree with you that what is not being said is more important than what is being said. As a side issue to this, may I know whether the Minister has made any scrutiny of the amount of investments or loans which public financial institutions have made in or given to, these concerns which figure in this list, because in the end we may find that quite a substantial portion of public funds have also gone down the drain and will not be recoverable? Have Government any information on this whether they have been taking loans from, or getting investments in their equity by, our public financial institutions, and if so, to what extent?

**SHRI PRANAB KUMAR MUKHERJEE:** I do not know how this question arises out of this. They have a large number of industrial concerns and some of them might have got funds from public financial institutions.

**SHRI INDRAJIT GUPTA:** I refer to concerns mentioned in the list.

**MR. SPEAKER:** You can take it as a suggestion and look into that.

#### Recommendations of National Savings Advisory Committee regarding Low Cost Housing and Insurance cover for Employees

\*69. **SHRI DHAMANKAR:** Will the Minister of FINANCE be pleased to state:

(a) the main recommendations of National Savings Advisory Committee