

recently that some female foreign tourists were subjected to indecent behaviour ;

(b) whether it is also a fact that such incidents have received wide adverse publicity in tourist traffic originating countries ; and

(c) if the answers to parts (a) and (b) above be in the affirmative, what steps Government propose to take to ensure the safety, honour, life and property of the tourists visiting the country ?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI PURUSHOTTAM KAUSHIK): (a) and (b) No, Sir.

(c) Does not arise.

'Monsoon-77' ocean experiment

♦581. DR. V. B. SINGH :

SHRI HARSH DEO MALAVIYA:

SHRI NRIPATI RANJAN

CHOUDHURY :

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state :

(a) whether it is a fact that the Government of India have recently completed a scientific experiment "Monsoon-77" in the Indian Ocean jointly with USSR ;

(b) if so, what was the purpose of the experiment and what is the amount of expenditure incurred thereon ; and

(c) what are the main conclusions arrived at as a result of the experiment ?

THE MINISTER OF TOURISM, CIVIL AVIATION (SHRI PURUSHOTTAM KAUSHIK) : (a) Yes, Sir.

(b) The purpose was to collect data during the onset and strengthening of the south west monsoon and during the formation of monsoon depression over Bay of Bengal. Study of this data is expected to increase the understanding of the south west monsoon, improve and extend the range of forecasts during the

south-west monsoon. The expenditure upto 30th September, 1977 is about Rs. 41 lakhs,

(c) Preparation and analysis of daily weather charts, using expedition data, are in progress.

RBI Nominee on the Board of Directors of the Punjab and Sind Bank Ltd.

♦582. SHRI RABI RAY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is no nominee of the Reserve Bank of India on the Board of Directors of the Punjab and Sind Bank Ltd.;

(b) if so, what are the reasons therefor; and

(c) by when Government propose to nominate such a Director on the Board of Directors of the Bank?

THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. VI. PATEL): (a) Yes, Sir.

(b) and (c) It is not the practice of the Reserve Bank of India to appoint directors on the Board of Directors of each and every private sector commercial bank. Such appointments are made by the Reserve Bank only in cases where conditions specified in Section 36AB of the Banking Regulation Act, 1949 exist and the affairs of the bank concerned require a continuous and close surveillance.

Searches at the Palaces of Erstwhile ruling families of Jaipur and Gwalior

♦583. DR. M. R. VYAS:

SHRI KALYAN ROY: SHRI

PHANINDRA NATH

HANSDA: SHRI BHISHMA

NARAIN

SINGH: SHRIMATI

MARGARET

ALVA:

Will the Minister of FINANCE be pleased to refer to the answers to Un-

starred question 14 and Starred question 337 given in the Rajya Sabha on the 6th January, 1976 and 28th June, 1977, respectively and state:

(a) the details of the progress so far made in regard to the cases under the Gold Control Act, Income-tax Act and the Foreign Exchange Regulation Act, etc. initiated against the members of the erstwhile ruling families of Gwalior and Jaipur after the seizure of huge quantities of gold, gold ornaments, jewellery and documents showing foreign assets during searches made in their palaces:

(b) whether an exact valuation of the articles seized has since been done; if so, what are the details in this regard;

(c) whether Government propose to withdraw the cases and return the assets seized to the persons concerned; and

(d) if so, what are the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGARWAL): (a) to (d) A statement is laid on the Table of the House.

Statement

Cases against erstwhile ruling family of Jaipur:

Adjudication proceedings in respect of seizures from the various premises belonging to the erstwhile ruling family of Jaipur under the Gold Control Act relating to 895.107 kgs. of gold articles, ornaments valued at Rs. 4.92 crores has been completed and the seized gold has been confiscated but allowed to be redeemed on payment of a fine of Rs. 1.50 crores. A penalty of Rs. 5 lakhs has been imposed on Shri Bhawani Singh in his capacity as Karta in the Hindu Undivided Family. Another case relating to an article of gold under seizure is pending adjudication. The cases under the Foreign Exchange Regulation Act are also pending adjudication.

Regarding the seizures under Income-tax Act from the erstwhile ruling family of Jaipur valued at Rs. 4.99 crores orders under section 132(5) of the Income-tax Act were passed, as warranted, within 90 days of the seizure. On applications made by the assessee against the said orders, the notified authority has passed orders under section 132(12) of the Act. Following the orders passed under section 132(5) and 132(12), assets of the value of Rs. 1.74 crores have been released so far. To safeguard the interests of revenue, an undertaking has been obtained from the assessee that they would dispose of the released assets and deposit the sale proceeds thereof towards their tax liabilities. This obligation has already been discharged in part. Out of the sale proceeds of certain valuables, a sum of over Rs. 47 lakhs has been deposited towards tax demands. In addition, cash of Rs. 1 lakh released under section 132(12) has been adjusted towards existing tax liability.

Disclosures covering a large portion of the seized assets have been made under the Voluntary Disclosure Scheme, 1975.

A number of assessments have been completed initiating penalty proceedings as required.

Cases against erstwhile ruling family of Gwalior :

Regarding the cases against the erstwhile ruling family of Gwalior, involving primary gold, Gold articles and ornaments valued at Rs. 72 lakhs, the Customs case has since been adjudicated and no contravention under the Customs Act is established. Complaint under the Gold (Control) Act and Defence of India Rules had also been filed in the Chief Judicial Magistrate Court, Gwalior. The adjudication proceedings in the Gold Control case are still in progress and are likely to be finalised soon.

Orders under Section 132(5) of the Income-tax Act were passed in respect of

Income Tax seizures valued at Rs. 99.5 lakhs from erstwhile ruling family of Gwalior within 90 days of the seizure retaining assets of the value of Rs. 98.97 lakhs. Out of the retained assets, articles worth Rs. 38.5 lakhs have been released to enable the assessee to sell the same and discharge tax liabilities.

Disclosures under the Voluntary Disclosure Scheme, 1975 have been made.

A number of assessments have been completed, initiating penalty proceedings as required.

No direction has been given by the Government to the departments concerned for withdrawal of any proceedings initiated against the members of the erstwhile ruling families of Jaipur and Gwalior, as a result of the searches made during 1975.

**Violation of the Provisions of FERA by
Amin Chand Pyare Lal Group of
Companies**

- 584. SHRI KALYAN ROY:
SHRI PHANINDRA NATH
HANSDA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have recently received any memorandum from some Members of Parliament regarding serious violation of the provisions of Foreign Exchange Regulation Act and other financial manipulations by the Amin Chand Pyare Lal group of companies;

(b) if so, what are the details thereof;

(c) whether the Assistant Director of Inspection (Intelligence) and Director of Enforcement have made a thorough investigation into the matter;

(d) if so, what are the details thereof; and

(e) what steps Government have taken against Shri Jitpaul and Surendra Overseas Limited who were mainly res-

ponsible for these illegal transactions and with what results?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGARWAL): (a) and (b) A letter dated 30th November, 1977 from the Hon'ble Member, Shri Kalyan Roy, addressed to Finance Minister, has been received on 8-12-77 regarding investigation into foreign exchange manipulations, violation of Foreign Exchange Regulation Act and accumulation of foreign currency abroad against the Amin Chand Pyare Lal Group. The matter is under examination by the Ministry of Finance (Department of Revenue) in consultation with the Directorate of Enforcement. No separate memorandum has recently been received from Members of Parliament by the Government on the above subject.

(c) to (e) The Directorate of Enforcement have conducted investigations against M/s Amin Chand Pyare Lal Group of Companies and other persons connected therewith including Shri Jit Paul and Surendra Overseas Ltd, and a number of show cause notices have been issued for violation of the provisions of Foreign Exchange Regulation Act. Some of these cases have been adjudicated whereas adjudication is pending in some other cases, primarily on account of writs filed by some of the concerned parties. In the cases so far adjudicated, penalties aggregating Rs. 2.35 lakhs have been imposed. Appeals have been filed against the orders which are pending before the Foreign Exchange Regulation Appellate Board.

I.D.A. Aid

- *585. SHRI SITARAM KESRI :
SHRI DHARAMCHAND JAIN:
SHRI BHISHMA NARAIN SINGH :

Will the Minister of FINANCE be pleased to state: