

Relation between M/s. Sociedade-de-Fomento and Japanese Trading Firms

7248. SHRI ANANDA PATHAK: Will the Minister of FINANCE be pleased to state:

whether Government have found any material to establish the relation between M/s. Sociedade-de-Fomento Industrial Pvt. Ltd. and Japanese Trading Firms in repatriating amount outside India by under invoicing?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA): Investigations in the matter are in progress.

Contract signed between M/s. Sociedade-de-Fomento Industrial Pvt. Ltd. and Japanese Companies

7249. SHRI M. ISMAIL: Will the Minister of FINANCE be pleased to state:

(a) is it a fact that the Income Tax Department have found two sets of contract signed between M/s. Sociedade-De-Fomento Industrial Private Limited and Japanese Companies; and

(b) what action they have taken against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA): (a) and (b) Investigations in the case of M/s. Sociedade De Fomento Industrial Private Limited are still in progress. Disclosure of the nature and contents of the seized documents at this stage would hamper effective investigations.

Appearance of a bundle of RBI used cheques issued during 1969-70

7250. SHRI K. A. RAJAN: Will the the minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news item appeared in issue dated 27th February, 1981 of "Janayugam", a Malayalam daily from Quilon, Kerala, regarding the appearance of a bundle of used

RBI cheques issued during 1969-70 period, with a petty-shop owner which came to him as "radhi";

(b) if so, is it a fact that cashed cheques have to be kept in secret for at least 15 years with the respective Bank Manager and even after the expiry of that period it has to be destroyed by fire; and

(c) if so, whether any enquiry has been made into this appearance of cheques before the stipulated time limit?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MAGANBHAI BAROT): (a) Yes, Sir.

(b): According to the news-item, the paid cheques were those issued by the Kerala State Co-operative Bank on the Reserve Bank of India during 1969-70. Reserve Bank of India, has in this connection, reported that in terms of the existing instructions, as contained in the Reserve Bank of India Manual "paid current account cheques will be returned to the account holders each half year ended June and December as early as possible after the receipt of confirmation of balances from them as on those dates." Reserve Bank of India has confirmed that the paid cheques issued by the Kerala State Co-operative Bank relating to the period 1969-70 have been returned to it in accordance with the above procedure. Once the paid cheques are returned to the account holder it is for the account holder to preserve the cheques for a further period or dispose them of in any manner in accordance with its own guidelines and procedures.

(c) Since the Kerala State Co-operative Bank is not under the administrative control of the Central Government, the question of ordering any inquiry by the Central Government does not arise.