

Direct Taxes has, however, directed further investigation into the allegations.

[English]

### MOU with Bofors

2709. SHRI RAJ KUMAR RAI: Will the Minister of COMMERCE be pleased to state:

(a) the restrictions on destination, under the Memorandum of Understanding (MOU) with Bofors;

(b) the value of contracts, in terms of the MOU, effected so far and the way in which Bofors has got payments of profits/service charges thereon, alongwith their estimated amounts; and

(c) the additional outlets for Indian goods provided so far by Bofors?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) As per the MOU signed by STC with Bofors, any exports to Rupee Payment Areas; Israel and South Africa are not allowed. Further, exports of textiles/garments and coffee to quota countries carpet backing cloth to North America; shrimps to Japan and USA; cashew kernels to USA and tea (bulk) to UK do not qualify for exports.

(b) Till middle of July, 1988 export shipments worth Rs. 21.12 crores have been effected. Further shipment of goods worth Rs. 44.66 crores are in progress. No service charge is payable by STC to Bofors.

(c) The additional outlets are non-tradi-

tional items of exports such as Latex gloves, leather jackets, galvanised pipes, mango kernel oil etc.

### Central Excise Duty Evasion

2710. SHRI M. RAGHUMA REDDY:  
SHRI MANIK REDDY:  
SHRIMATI MADHUREE  
SINGH:  
SHRI CHINTAMANI JENA:  
SHRI C. MADHAV REDDI:  
SHRI MOHANBHAI PATIL:  
DR. G.S. RAJHANS:

Will the Minister of FINANCE be pleased to state:

(a) whether Central Excise Duty evasion of about 170 crore in 3000 cases has been detected during the last six months as reported in the Indian Express dated 8 July, 1988; -

(b) if so, the details thereof; and

(c) the action taken or proposed to be taken against the defaulters?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) Yes, Sir.

(b) Details in respect of important cases where investigations have been completed and Show Cause Notices issued are given in the Statement below.

(c) Appropriate action would be taken under Central Excise Law.

### STATEMENT

<i>Sl. No.</i>	<i>Name of the party</i>	<i>Date of issue of Show Cause Notice</i>	<i>Amount of duty evaded (Rs. in lakhs)</i>
1	2	3	4
1.	M/s. Kalyan Steel Ltd., Pune.	25.1.88	25.92