

(a) whether the Government had issued orders for rounding off paise to the nearest rupee about ten years back but the same has not been implemented so far;

(b) if so, the reasons therefor; and

(c) the steps being taken in this regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) Yes, Sir. Orders for rounding off Government transactions were issued in June, 1986. These orders have been implemented through amendment to Central Government Account (Receipts & Payments) Rules.

(b) and (c) Does not arise. However, these orders are being brought to the notice of all concerned, once again.

Tobacco Cultivators

5431. SHRI SODE RAMAIAH:

SHRI RAMCHANDRA VEERAPPA:

Will the Minister of COMMERCE be pleased to state:

(a) the steps taken by the Government to help the Tobacco cultivators of Andhra Pradesh and Karnataka;

(b) whether the Tobacco cultivators of Karnataka are facing the shortage of fertilizer;

(c) if so, the reasons therefor; and

(d) the steps taken by the Government to provide the adequate quantity of fertilizer to the tobacco cultivators?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) Some of the steps taken to help the Tobacco cultivators of Andhra Pradesh and Karnataka, inter-alia, include:

(i) providing financial assistance for use of approved seeds, fertilisers, pesticides, irrigation equipments, suckercides and roof insulation of barns;

(ii) supply of seeds/seedlings of highyielding and disease resistant varieties of FCV/Burley tobacco;

(iii) supply of tarpaulin at subsidised rates for storage of cured leaf;

(iv) co-ordination with Central Tobacco Research Institute for evolving high yielding disease resistant varieties;

(v) pest and disease control through fumigation of nurseries;

(vi) encouraging use of sprinkler irrigation system;

(vii) improving curing and storing facilities;

(viii) arranging supply of inputs such as coal (for curing), fertilisers, and suckercides;

(ix) conducting analysis of soil and water samples to advice farmer on its suitability for growing tobacco;

(x) training and exposure of farmers to latest research findings/improved package of practices; and

(xi) enhancing exports of tobacco and tobacco products by reorientation of the domestic production of tobacco to meet changing international needs, enhancement of quality and productivity levels, monitoring and strict control of pesticide residues, aligning grading to international standards, and permitting imports for product development.

(b) to (d) There was shortage of Sulphate of Potash (SOP) fertiliser during the month of May and June, 1998. On persuasion of the Tobacco Board, Indian Potash Ltd. has imported SOP. With the arrival of 10,000 tons of SOP at Chennai on 13.7.98 and its subsequent transportation to Mysore has eased the situation.

DGS & D Rate Contract

5432. SHRI JANG BAHADUR SINGH PATEL: Will the Minister of COMMERCE be pleased to state:

(a) whether some of the items available in the market are at lower rates than DGS & D rate contracts;

(b) if so, the details thereof alongwith criteria being adopted for settlement of rate contract and the manner in which it is ensured that the rates are lower;

(c) whether the Government are aware that some corrupt practices are prevailing in DGS & D;

(d) if so, the details thereof; and

(e) the action taken by the Government in this regard?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) and (b) DGS & D Rate Contract prices are valid for a year or two and applicable uniformly throughout the country for the period. Prices of such items in the open market are, however, not static nor uniform.

DGS & D has more than 250 items in the Rate Contract list at present. The occasional prevalence of comparatively lower prices in the open market for similar items available on DGS & D Rate Contract, cannot be totally ruled out.

As per the procedure and instructions for finalising the Rate Contracts, quotations are invited in response to specific tenders which are widely published and circulated. The rates received are examined taking cognisance of the prevailing market rates, variations in the cost of raw material, taxes and duties, published price indices of finished product/raw material and the rates allowed in the previous Rate Contract. Besides, "Fall Clause" condition ensures that the selected supplier cannot sell or offer the item to others at lower than the Rate Contract prices. The right to foreclose the Rate Contract in the event of lower market trend is also available.

(c) to (e) As and when specific complaints are received, these are duly enquired for appropriate action, DGS & D organisation has a Grievance Cell for redressal of public grievances. Besides Government has appointed Vigilance Officers and has recently approved "Citizens' Charter" enabling

members of the Public access to information and for resolution of complaints.

Trade Agreements

5433. SHRI ANNASAHAB M.K. PATIL: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have taken fresh initiatives to share details of all the trade pacts/agreements entered into with various countries with the domestic industry and Trade Sector to facilitate well planned and focussed activities for achieving desired results;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) to (c) whenever any trade pacts/agreements are entered into, concerned domestic industry and trade sector are involved to meet the commitments given therein. To operationalise such agreements/pacts, Joint Commissions/Joint Trade Committee meetings are held, in which the concerned industry/trade sector are fully involved at the preparation and follow-up stage. The involvement of the trade and industry has become an integral part of any trade facilitation meetings so as to have right focus in determining the right direction and composition of trade to bring optimal result.

Bank Fraud

5434. SHRI MADHAVRAO SCINDIA:

DR. BIZAY SONKAR SHASTRI:

Will the Minister of FINANCE be pleased to state:

(a) whether a Bank fraud involving pilferage of over Rs. 500 crore, in Allahabad Bank and United Bank of India has been unearthed;

(b) if so, findings of the inquiries conducted into the matter and the persons apprehended in connection therewith; and

(c) the action taken against those found involved in the fraud?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) & (c) Reserve Bank of India has reported that no case of fraud amounting to Rs. 500 crores involving Allahabad Bank and United Bank of India as mentioned in the Question has been reported. However, a fraud involving Allahabad Bank, United Bank of India, Bank of Baroda, State Bank of India and Punjab National Bank with an aggregate amount of about Rs. 52.37 crores has been reported to have occurred in the Calcutta branches of these banks in the accounts of individuals belonging to a Group. The fraud has been reported to Central Bureau of Investigation (CBI) who have initiated investigations and during the

course of investigation searches of residential premises as well as office premises of the accused persons including the Directors of the Group of Companies involved were conducted. The banks have identified the officials for involvement in the fraud and also for other procedural lapses. Departmental proceedings have been initiated against concerned officials by the banks after segregating charges in consultation with CBI. Wherever considered necessary, the officials were also placed under suspension.

Customs Duty Evasion

5435. SHRI C.D. GAMIT:

SHRI VINOD KHANNA:

Will the Minister of FINANCE be pleased to state:

(a) whether a group of 20 Trading companies including Ahmedabad based Adani Group, Inter-continental India etc., have indulged in questionable export-import deals.

(b) whether these companies are indulged in large scale duty evasion consequent to adoption of over invoicing/under-invoicing of exports and imports respectively, made by them under Duty Exemption Entitlement Certificate (DEEC) Scheme;

(c) whether in the process, there has been a tax evasion order of Rs. 600-1000 crores over five years;

(d) if so, whether Government has initiated any action to book the companies; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) Yes, Sir. 14 out of the group of the 20 Trading Companies including Ahmedabad based Adani Group have come to the adverse Notice of Customs Department for indulging in Questionable export-import deals.

(b) M/s. Ganpati Group of Companies have resorted to over invoicing of export in two cases to avail undue benefit under Duty Exemption Entitlement Certificate (DEEC) Scheme. M/s. Adani Export Ltd. and M/s. Gujarat State Industrial Corporation have resorted to under invoicing of imports under Duty Exemption Entitlement Certificate Scheme in one case. In addition, in ten cases involving five companies have indulged in over invoicing/under invoicing of export and import respectively.

(c) The total amount of Custom duty involved in the cases mentioned in part (b) above is Rs. 33.30 crores and these cases have been booked during the financial years 1996-97, 1997-98 and 1998-99.

(d) Yes, Sir.

(e) Adjudication proceeding under the Customs Act, 1962 have been initiated in all the cases mentioned in part (b) above. In Six of these cases Show Cause Notices have