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### Trade Agreements

5433. SHRI ANNASAHEB 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) (b) (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