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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

been issued; remaining cases are under investigation. In Six cases offending goods worth Rs. 1.38 crores have been seized. In three cases the DGFT authority have been asked to cancel advance licences issued to the party. Pending adjudication/investigation, an amount of Rs. 3.69 crores has been realised.

**Khandesh Spinning and Weaving Mill, Jalgaon  
(Maharashtra)**

5436. DR. ULHAS VASUDEO PATIL: Will the Minister of TEXTILES be pleased to state:

(a) whether there is a proposal from employees and workers union to run the Khandesh Spinning and Weaving Mill, Jalgaon in Maharashtra on cooperative basis;

(b) if so, whether the proposal is economically viable;

(c) whether the Union Government have received any proposal from the State or Rashtrya Girmi Kamgar Union for financial assistance for rehabilitation of Khandesh Mill, Jalgaon;

(d) Whether the Union Government are ready to provide share capital; and

(e) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA): (a) and (b) As per information available, State Government of Maharashtra has received a proposal to run the Khandesh Spinning and Weaving Mill, Jalgaon in Maharashtra on cooperative basis. The subject matter pertains to the State Government.

(c) to (e) The Ministry of Textiles has also received a request on behalf of Shree Madhukarra Chaudhari, Chairman of the Mill's Workers Cooperative Society, in which it has been suggested that the Union Government may support the State Government with financial assistance so that the mill could be restarted.

The Union Government in the Ministry of Textiles does not provide share capital in such cases.

**Head Office of Syndicate Bank**

5437. SHRI H.G. RAMULU: Will Minister of FINANCE be pleased to state:

(a) whether there is any proposal to shift the Head Office of the Syndicate Bank from Manipal to Bangalore; and

(b) if so, the reasons therefor?

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) No, Sir.

(b) Does not arise.

[*Translation*]

**Board of Nationalised Banks**

5438. SHRI HARIKEWAL PRASAD:

SHRI SURENDRA PRASAD YADAV  
(JAHANABAD):

Will the Minister of FINANCE be pleased to state:

(a) the bank-wise details of the tenure of boards of Nationalised Banks ended;

(b) whether any board of nationalised bank is working on extended period and if so, the names of such banks; and

(c) the number of Chairman of nationalised banks facing allegations and such allegations are being investigated by CBI?

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) and (b) The Board of Directors of the nationalised banks, comprising whole time Directors and part time Directors are continuing entities and vacancies that arise are filled from time to time. At present there are eight vacancies of whole time Directors (i.e., Chairman and Managing Directors and Executive Directors). Besides, most of the part time Non-Official Directors have recently completed their tenure and are continuing in their positions pending appointment of successors in accordance with the provisions of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and 1980. Action has been initiated for filling up the vacancies/appointment of successors.

(c) The information is being collected and will be laid on the Table of the House as soon as it is received.

[*English*]

**Jewellery Showroom in Delhi**

5439. SHRI A. GANESHAMURTHI: Will the Minister of COMMERCE be pleased to state:

(a) whether the Minerals and Metal Trading Corporation Limited had planned the Jewellery showroom in Delhi, tank to store alcohol in Kandla and warehouse in Moscow and abandoned all of these after sinking huge funds;

(b) if so, the amount involved therein;

(c) whether the Government have taken any action against the Board Members; and

(d) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) Sir, MMTC is planning to open a jewellery show room in Delhi. The proposal to acquire a tank in Kandla to store alcohol was abandoned since the proposal was not economically viable. The warehouse in Moscow in operation since January, 1995 was closed on 31.10.97 on the directions of the Governments.