

L.C. FRAUD

5616. SHRI ANUPLAL YADAV:

SHRI P.S. GADHAVI:

SHRI BIJOY KUMAR "BIJOY":

Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the news-item captioned "27 arrested for LC fraud, some also accused in share scam" appearing in the Economic Times dated June 18, 1998;

(b) if so, the facts of the matter reported therein; and

(c) the measures proposed to be taken for the recovery of about 25 crores of rupees involved in this 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) to (c) Information is being collected and will be laid on the Table of the House.

Income Tax Complex at Vaishali

5617. SHRI VIJAY SINGH SOY: Will the Minister of FINANCE be pleased to state:

(a) whether the Income Tax Department has acquired a massive complex at Vaishali in Ghaziabad, at a cost of Rs. 10 crores;

(b) if so, the details thereof;

(c) whether the said complex remains unused for the last several years, while the department is paying heavy amount as rent for its office accommodation; and

(d) if so, the details thereof and 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) and (b) Yes, Sir. The Income-Tax Department has acquired an office building at Vaishali from the Ghaziabad Development Authority at a cost of Rs. 19.93 crores. The total office space purchased is fifteen thousand (15000) square metres.

(c) and (d) The possession of the aforesaid building was taken by the Income-tax Department only in March, 1997. Certain works such as partitioning of rooms and cabins, and, installation of electric fixtures, are yet to be completed in this building, after which the Department will move some of its offices to this building.

*[Translation]***Hawala Scam**

5618. SHRI MOHAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether CBI has completed its investigation in widely commented upon Hawala case;

(b) if so, the number of people taken into custody by CBI;

(c) the number of cases since disposed off finally and the number of cases still pending with details thereof; and

(d) the amount spent by CBI in investigation and litigation?

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.

(b) Three persons were taken into custody by Central Bureau of Investigation (CBI).

(c) Out of thirty four charge-sheets filed by CBI, 29 have been dropped by the trial/high court and 5 are pending trial.

(d) Rs. 32.5 lakhs (approx.) have been spent by CBI on investigation and litigation.

*[English]***New Excise Policy**

5619 DR. ASIM BALA: Will the Minister of FINANCE be pleased to state the impact of new excise policy on small and marginal fisherman and seafood industry?

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): Excise duty of 8% ad-valorem has been imposed on 'packed and branded preparations of meat, fish, crustaceans, molluscs and other aquatic invertebrates' falling under sub-heading No. 1601.10 of the Central Excise Tariff as part of budget proposals for 1998-99. The preparations which are not put up in unit containers or not branded and other products of seafood industry which are simply chilled, frozen, salted, dried or smoked remain fully exempt from excise duty. Small producers of dutiable goods are not required to pay any excise duty on clearances upto Rs. 50 lakhs in a year and will have to pay lower duty on clearances beyond Rs. 50 lakhs and upto Rs. 100 lakhs. As such the levy is not likely to have any significant impact on small and marginal fisherman and seafood industry.