

[Translation]

**World Bank Survey for Installation of Tubewells in U.P.**

\*537. SHRI RAM PUJAN PATEL: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the World Bank has conducted any survey for the installation of tubewells for irrigation in Uttar Pradesh including Phulpur area;

(b) if so, the details thereof; and

(c) the time by which the survey work will be completed and the work commenced?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND): (a) Not the World Bank but the State Government has conducted the survey.

(b) and (c). Survey in most of the 44 districts under the project including Phulpur area is complete, with a programme for installation of 3308 tubewells.

[English]

**Trade with West Germany**

\*538. SHRI M. RAGHUMA REDDY:  
SHRI BHADRESWAR TANTI:

Will the Minister of COMMERCE be pleased to state:

(a) whether any discussions have been held between India and West Germany in regard to improving the prospects of trade between the two countries;

(b) if so, the details and outcome thereof; and

(c) the details of high technology areas proposed to be covered in the trade between the two countries?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) to (c). There is a Joint Commission between India and West Germany for development of the bilateral economic and commercial relations between the two countries. The last meeting of the Joint Commission was held in New Delhi in March, 1988 wherein it was agreed that both sides would take steps to expand trade with a view to bringing about a greater balance in trade. Indo-German Cooperation in a number of sectors were discussed including computer software, telecommunications, alternate energies, etc.

**Complaints against Officials of State Bank of Indore**

\*544. SHRI C. JANGA REDDY:  
SHRI RAJ KUMAR RAI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have received complaints from Members of Parliament against some officials of the State Bank of Indore during the last three years;

(b) if so, the details thereof; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) The complaints received against the officials of State Bank of Indore during the period relate *inter-alia* to personnel matters, alleged corruption, frauds and other irregularities.

(c) The complaints were looked into and action as appropriate has been taken.

#### **Shipment of a Polyester Chips Consignment**

**\*545. SHRI BANWARI LAL PUROHIT:** Will the Minister of FINANCE be pleased to state:

(a) whether the Customs authorities at Bombay have blamed the Shipping Corporation of India (SCI) for failure to detect and report a fraudulent bid by some of its overseas agents to manipulate the shipment of a polyester chips consignment imported by Orkay Silk Mills;

(b) if so, whether the Customs authorities have since contemplated any action against Orkay Silk Mills; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (c). M/s Orkay Silk Mills Ltd., Bombay, imported polyester chips in the month of April, 1985 valued approximately at Rs. 106 lakhs. The goods arrived by the vessel 'S.S.State of West Bengal' belonging to the Shipping Corporation of India. There were 14 consignments in all. In respect of these consignments, the country of origin was declared by the importer as Yugoslavia and claimed the benefit of concessional rate of duty which is 50% of the effective rate of duty, goods imported from Yugoslavia and United Arab Republic, enjoy a concessional rate of duty of 50% of the effective rate of duty. Investigations conducted by the DRI confirmed that the goods were actually manufactured and shipped from Oristano (Italy) to India and were of Italian origin and not eligible for concessional rate of duty. After investigations, a show cause notice was issued to the importers, M/s Orkay Silk

Mills for the differential duty between the concessional rate and the normal rate as the goods were not of Yugoslavian origin and also for imposition of penalties on the company, its Chairman and other Directors as well as the Shipping Corporation of India (carriers) and M/s H. Saleix & Co. (indenting agents). The case was adjudicated by the Collector of Customs, Bombay, vide his Order dated 4.10.88. In his order, the adjudicating authority has observed that the Shipping Corporation of India and its concerned overseas agents had not acted in a proper and bonafide way and that the Shipping Corporation of India should have on their own reported the matter to the Customs authorities. However, in the absence of any evidence, that the acts of omission and commission done by the Shipping Corporation of India or its overseas agents were done with an intention to evade the customs duty on the goods concerned, proceedings against the Shipping Corporation of India were dropped. The charge against M/s Orkay Silk Mills and its Directors for imposition of penalty was also dropped, as no evidence, direct or indirect, to hold them guilty of the charge was found. However, as it was established on record that the goods had not originated from Yugoslavia, it was held by Collector of Customs, Bombay, that goods were not eligible for concessional rate of duty. M/s Orkay Silk Mills were, therefore, asked to pay the differential duty amounting to Rs. 1,06,53,744.00 in respect of polyester chips imported and cleared by them. M/s Orkay Silk Mills have since paid the entire differential duty on 6.1.89.

#### **Trade ties between India & Malaysia**

**\*546. SHRI S.B. SIDNAL:** Will the Minister of COMMERCE be pleased to state:

(a) whether Malaysia is keen on strengthening trade ties with India and is seeking avenues for increased cooperation;