

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1619
ANSWERED ON:10.12.2004
CUSTOMS DUTY DEFAULT BY MNC'S
Thummar Shri Virjibhai

Will the Minister of FINANCE be pleased to state:

ate :

- (a) whether some multinational companies producing IMFL indulge in under-invoicing and misdeclaration of goods and evaded crores of rupees in customs duty;
- (b) if so, the details thereof; company wise;
- (c) the latest position of the action taken against these companies in regard to recovery of customs duty; and
- (d) the details of the progress of the action taken in the matter?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (S.S. PALANIMANICKAM)

(a): Yes, one such case has been booked.

(b) The DRI, New Delhi had booked one case against M/s Seagran Manufacturing Ltd. Gurgaon producing IMFL underinvoicing and misdeclaration of goods. The case was adjudicated by the Commissioner of Customs, ICD Tughlakabad, vide Order-in-Original No. AKR/CC/ICD/TKD/45-46 dated 29.08.2003 confirming the demand of customs duty amounting to Rs. 39.96 crores for the period Feb, 1995 to June 2002.

(C) An amount of Rs. 9.75 crores have been deposited by the party who has filed an appeal with the CESTAT against the above order and the same is pending. The CESTAT has waived the pre-deposit of the remaining amount of Rs. 30.21 crores vide, Stay Order No. 138/04 NB(A) dated 10.02.2004.

(d)The CESTAT has been requested for early disposal of the case.