

Exchange of Data) project which has been developed by the Universal Postal Union (UPU) along with WCO (World Customs Organization). This project will enable the Department of Postal and Customs to exchange data electronically in advance and assist in risk management.

**Action on information of PNB fraud by PMO**

1193. DR. K.V.P. RAMACHANDRA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether the Prime Minister Office (PMO) was informed about a diamond Tsar engineered scam in Punjab National Bank (PNB) in 2016 as reported in a section of the media;

(b) if so, what action was initiated; and

(c) if not, when Government become aware of the scam and what steps have been taken to arrest the businessman and recover the money?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) to (c) Department of Financial Services, Ministry of Finance, *vide* Office Memorandum dated 1.3.2018, apprised PMO of action taken regarding the fraudulent issuance of Letters of Undertaking in PNB.

Central Bureau of Investigation (CBI) has registered two cases relating to the matter and 18 persons have been arrested in these cases. On the basis of FIRs registered by CBI, Directorate of Enforcement (ED) has filed two cases under the provisions of the Prevention of Money Laundering Act, 2002 and conducted searches at various locations and seized movable properties and attached immovable properties. Further, mutual funds and bank accounts have been frozen. Letter of Request to 13 countries have been issued by the court seeking details of properties, bank accounts of companies, etc. ED has moved the court for obtaining non-bailable warrants against accused persons. Further investigation is in progress.

**AP entitlement out of CSS**

1194. DR. K.V.P. RAMACHANDRA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether there is any request from Government of Andhra Pradesh to release funds under various Centrally Sponsored Schemes (CSS) in the ratio of 90:10 between

the Centre and State as announced in the special package instead of reimbursing them towards repayment of loan for Externally Aided Projects (EAPs), if so, the details thereof;

(b) the difference of amount the Andhra Pradesh Government is entitled to receive if the funds are released @90 per cent during the last four financial years under various centrally sponsored schemes; and

(c) whether Government of India is releasing these funds through NABARD?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RADHAKRISHNAN P.): (a) Yes, the Chief Minister of Andhra Pradesh has suggested to Union Government of India that a special dispensation amount arrived at under the special package may be provided through NABARD loan instead of loans through External Agencies (EAP).

(b) The differential amount that Andhra Pradesh Government is entitled to receive if the funds are released @90 per cent during the last four financial years under various centrally sponsored schemes will be finalized once the audited final accounts of the State of Andhra Pradesh are available.

(c) No, the request of the Chief Minister of Andhra Pradesh is being examined.

#### **Frauds in banking sector**

1195. DR. SANJAY SINH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that on announcement of recapitalisation package to Public Sector Banks (PSB), NPAs and scams with frauds in banking sector are significantly reported;

(b) if so, the amount lost by PSBs in the last five years and cases of frauds reported during this period upto February, 2018; and

(c) the action taken by Government thereon and the reasons behind huge amount of unauthorized transactions thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) to (c) As per Reserve Bank of India (RBI) data, gross NPAs of Scheduled Commercial Banks, including Public Sector Banks (PSBs), have risen steadily since financial year 2009-10. Further, the number of frauds reported by PSBs