

MUMBAI: WEDNESDAY, JANUARY 29, 1997

...all, five cheques totalling Rs ... have been sent to TCL in Jan- ... 97, with the condition that ... ce would have to be taken be- ... depositing them.

...also in a part of 1995-96. Further, on ... account of the tight liquidity condi- ... tions in the market, WFL has not been ... able to recover a substantial portion ... of its dues from its clients.

...rities amounted ... Further, the inc- ... banking activitie ... June 1995 amo ... crores.

Capital flight to US exceeds \$11.3 billion in two years, says study

MUMBAI: Indian businessmen ... away \$11.3 billion to the ... States in 1994 and 1995, the ... **Institute of Finance (IIF)** said ... day.

...yet to be released quarterly ... ion, the independent IIF has ... the findings of a revealing ... the flight of capital from In- ... e United States conducted by ... nomists based at the Florida ... tional University of Miami.

...ssors John Zdanowicz, Wil- ... lch and Simon Pak devised a ... price matrix" for items com- ... aded globally and then com- ... with prices declared by In- ... porters and exporters to ex- ... e "gigantic fraud" which is ... eed the hawala system.

...e the flight of capital from In- ... e US through irregular trade ... amounted to \$5.8 billion dur- ... , it was an estimated \$5.5 bil- ... he following year, the study

...Similarly, the value of under-in- ... voiced Indian exports ranged from ... \$5,232.8 million to \$1,593.6 million ... during 1994 and \$4,743.9 million to ... \$1,214 million during 1995.

...Even larger amounts of money are ... understood to be involved in India's ... trade with European countries and ... experts here say the fraud could easi- ... ly be higher than \$20 billion for the ... same two years.

...The researchers also studied the ... impact of abnormal pricing in speci- ... fic product categories. The dollar va- ... lue of income shifted by India's ... over-invoiced imports during 1994 ... and 1995 was determined by sum- ... ming the dollar values of deviations ... from all transactions in all product ... classifications that were greater than ... 150 per cent of the US/world average ... import prices.

...During 1994 and 1995 respective- ... ly, 32 per cent and 23 per cent of the ... income shifted through over-invoi-

...The study sta- ... number of ben- ... abnormal intern- ... The minimisati ... would provide t ... necessary for inv ... try's private and

...The study als ... tection and con ... would result in ... income tax evas ... fraud. It would ... tional revenue to

...According to ... should adopt a t ... dit and inspecti ... able to control ... the level of phy ... the means of ins ... vide the most co ... ing of internatio

...According to ... shifted capital g ... abroad and som ... India through th