

(d) if so, whether the company has submitted the bills and Bharat Coking Coal Ltd. has made the payment; and

(e) if so, when and if not, the reasons therefor ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) Yes, Sir.

(b) The work was entrusted to M/s. L. K. Ahuja & Company, Kanpur, U. P.

(c) Yes, Sir.

(d) and (e). M/s. L. K. Ahuja Co. have submitted the bills to BCCL but the payment could not be made so far as testing of the pipelines is in progress. Payment of bills shall be made after testing of pipelines has been completed. It is expected that this process would be completed in the 1st week of May, 1985.

News Item Captioned: "Recognition of Swadeshi Polytex Limited Order"

4620. **SHRI K. RAMAMURTHY :** Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to the news items in the 'Times of India' dated 8th February, 1985 and 'India Today' 15th March, about entry of Shri Rajaram Jaipuria as Executive Director in Swadeshi Polytex Limited;

(b) the reasons therefor, particularly in view of judicial pronouncements in respect of the Swadeshi Polytex professional management and executive Board; and

(c) the action Government now propose to take in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Government's attention has been drawn to the two news items referred to in the question.

(b) and (c). The Board of Directors of M/s Swadeshi Polytex Ltd. has been recons-

tituted in compliance with an order of the Supreme Court. No specific action is required to be taken by the Government in this respect.

[Translation]

Evasion of Excise Duty by Jamshedpur Beverages

4621. **SHRI RAM BAHADUR SINGH :** Will the Minister of FINANCE be pleased to state :

(a) whether Jamshedpur Beverages (Bihar) evaded excise duty worth Rs. 20 lakhs which came to light during investigations and raids in 1984-85;

(b) if so, since when the tax evasion has been going on and the years pertaining to which records have been examined;

(c) whether it is correct that this tax evasion has been going on in collusion with the officers of the Excise Department; and

(d) if not, the reasons for not detecting this tax evasion for such a long time and the persons responsible therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No raids were conducted on M/s. Jamshedpur Beverages (Bihar) in 1984-85 by Central Excise Department.

(b), (c) and (d). Does not arise in view of reply to part (a) above.

Setting up of Separate Prosecution Directorate for Customs and Central Excise Duty Department

4622. **PROF CHANDRA BHANU DEVI : SHRI AMARSINH RATHAWA : SHRI E. M. S. PAKEER MOHAMED :**

Will the Minister of FINANCE be pleased to state :

(a) whether thousands of cases relating to custom duty and Central Excise duty are

pending in the Supreme Court and various High Courts and also in other courts of the country;

(b) whether Government are not able to realise revenue worth crores of rupees because these cases are lying undecided;

(c) if so, the details of such cases and the amount to be realised;

(d) whether Government propose to set up separate prosecution Directorate for custom duty and Central Excise duty Departments so that these cases may be disposed of speedily; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) According to compilation of available information the number of customs and central excise cases pending in the Supreme Court and various High Courts was about 15000 as on 31.12.84.

(b) Yes, Sir.

(c) Most of the cases relate to issues having bearing on rate of duty, valuation and, in some central excise cases, excisability of products. Quantification of revenue involved in individual cases is possible only after court decisions are available in those cases.

(d) and (e). Setting up a Directorate of Prosecution cannot expedite the finalisation of these cases as they are to be disposed of by the Supreme Court and the High Courts. However, the question of strengthening the organisational set up in the Department of Revenue and the Custom Houses/Collectorates of Central Excise for dealing with these custom and central excise cases is under consideration.

[English]

Representation for Inclusion of Cost Accountants in the Definition of Accountant for Tax Audit

4623. SHRI VISHNU MODI : Will the Minister of FINANCE be pleased to state :

(a) whether various representations have been received by Government to include Cost Accountants in the definition of 'Accountant' for the purpose of carrying out tax audit which was made compulsory by Government by amending Section 44AB of the Income-tax Act last year;

(b) if so, the salient points of these representations;

(c) the reaction of Government thereto; and

(d) when a final decision is likely to be taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. The Institute of Cost and Works Accountants of India has sent certain representations in this regard.

(b) It has been contended that members of the Institute of Cost and Works Accountants of India are as qualified and competent as members of the Institute of Chartered Accountants of India, to undertake audit of accounts for the purpose of section 44AB of the Income-tax Act. It has, therefore, been urged that they should be treated at par with chartered accountants.

(c) A Chartered Accountant has the professional qualification and expertise to audit accounts and report on the accounts examined, the balance sheet and the profit and loss account, whereas the expertise of the Cost Accountant is mainly in determination and allocation of cost to products. Besides, under the Companies Act, 1956, only a Chartered Accountant is competent to audit accounts of a company. Therefore, it is not considered appropriate to permit Cost Accountants to carry out audit of accounts for purposes of the Income-tax Act.

(d) Does not arise.

[Translation]

Opening of Branches of Nationalised Banks of Bharatpur District Rajasthan

4624. SHRI LALA RAM KEN : Will the Minister of FINANCE be pleased to state :