

Cost Audit of Companies on Permanent Basis

4819. SHRI VISHNU MODI :

SHRI SHANTI DHARIWAL :

Will the Minister of INDUSTRY AND COMPANY AFFAIRS be pleased to state :

(a) whether the Sachar Committee on the Companies Act and the MRTP Act has recommended that Cost Audit once ordered in an industry must continue on permanent basis and the Companies with a paid up capital of Rs. 25 lakhs or more should be required to employ a Cost Accountant and the balance sheet of such companies should be got certified by the Cost Auditor so far as the figures of stock inventory, stores/spares, raw materials, tool and work-in-progress are concerned;

(b) whether the said Committee has also recommended that the appointment of a Cost Auditor should be on the same lines as applicable to the Statutory Auditor in such companies; and

(c) if so, the reasons for delay in the implementation of these recommendations, particularly in the wake of emphasis on the need for rapid industrial growth, increasing productivity and efficiency in the performance of Industries ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND COMPANY AFFAIRS (SHRI ARIF MOHAMMED KHAN) : (a) The Sachar Committee in its Report had recommended for the appointment of Cost Accountant in companies having a paid-up capital of Rs. 25 lakhs or more and engaged in certain types of industries. The Committee also recommended that balance sheets of such companies should be certified by the Cost Auditor in respect of figures of stock, inventory, stores/spares, raw materials, tool and work-in-progress. The Committee further recommended that cost audit once ordered in an industry must continue on permanent basis unless the Central Government decides to discontinue such audit in that industry.

(b) Yes, Sir.

(c) The delay in processing these rec-

ommendations is partly attributable to the necessity for an in-depth re-examination of the Committee's 460 recommendations in respect of the Companies Act from the point of view of assessing the feasibility of an overall simplification of the statute as a whole and partly because several new suggestions were, in the meanwhile, received from various Chambers of Commerce etc. on the subject and these were also required to be considered.

Construction of P & T Staff Quarters in Cuttack (Orissa)

4820. SHRI CHINTAMANI PANIGRAHI : Will the Minister of COMMUNICATIONS be pleased to state :

(a) whether Government are aware that the construction of staff quarters in Cuttack, the main commercial city in Orissa, is only 1-1/2 per cent and no P & T quarters have been constructed in Cuttack for the last fifteen years; and

(b) if so, whether Government are taking any steps in this direction ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMUNICATIONS (SHRI RAM NIWAS MIRDHA) : TELECOM. (a) and (b) No, Sir. The percentage satisfaction at Cuttack is 5.69 as on 31.3.1985. Nine staff quarters have been constructed during the last five years. 75 staff quarters are planned to be constructed at Sikharpur during 7th Plan subject to the availability of funds.

POSTAL

(a) The satisfaction of staff quarters at Cuttack is 2½%. During the 6th Five Year Plan period of 1980—85, 6 (six) staff quarters have been constructed in Cuttack.

(b) Does not arise in view of (a) above.

Production and Utilisation Capacity in F.A.C.T. Udyogamandal, Kerala

4821. SHRI T. BASHEER : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :