

**Panel of Chartered Accountants maintained by Commissioners of Income-tax**

**795. SHRI RAMAVATAR SHASTRI:** Will the Minister of FINANCE be pleased to state:

(a) whether sub-Section 2A of Section 142 of Income-tax Act 1961, empowers the Commissioners of Income Tax for compulsory audit of accounts of assessee;

(b) if so, the State-wise number of such audits made during the last three years;

(c) whether the Commissioners of Income Tax maintain any panel of Chartered Accountants for this purpose; and

(d) if so, what are the names of such Chartered Accountants of Bihar?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA):**

(a) Under the provisions of sub-section (2A) of section 142 of the Income tax Act, 1961 introduced with effect from 1st April, 1976, the Income-tax Officers have got powers to have the accounts of the assessee audited with the previous approval of the Commissioner having regard to the nature and complexity of the accounts of the assessee and the interest of the revenue.

(b) Information is not readily available and is being collected from all Commissioners of Income-tax.

(c) The Commissioners of Income-tax are required to draw a panel of Chartered Accountants for special audit under section 142(2A) of the Income-tax Act.

(d) No such panel has been drawn so far in Bihar Charge.

**Permission to Private Banking Companies to do Banking Business**

**796. SHRI RAMAVATAR SHASTRI:** Will the Minister of FINANCE be pleased to state:

(a) what is Government policy regarding granting permission to private Banking Companies;

(b) which of the private Banks have been issued licences for doing Banking business in the last five years; and

(c) what is the procedure for issuing such licences?

**THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MAGANBHAI BAROT):** (a) Under the provisions of Section 22 of the Banking Regulation Act, 1949, the competent authority to issue a licence to a company for carrying on banking business in India, is the Reserve Bank of India. According to the present policy, the Reserve Bank of India is not in favour of allowing any new bank to be floated in the private sector.

(b) No new Indian company in the private sector has been issued licence for commencing banking business in the last five years.

(c) After a company has been incorporated under the Companies Act, 1956, it is required to obtain licence from the Reserve Bank of India in terms of Section 22 of the Banking Regulation Act, 1949. For this purpose, an application has to be made to Reserve Bank of India in Form III prescribed under the Banking Regulation (Companies) Rules, 1949 fulfilling certain conditions required under the Banking Regulation Act, 1949 and the rules thereunder.