

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:7787
ANSWERED ON:17.05.2002
C AG OBSERVATION ON UNDER CHARGE OF TAX
SHEESH RAM SINGH RAVI

Will the Minister of FINANCE be pleased to state:

(a) whether the assessments for the assessment years 1994-95 to 1997-98 completed after scrutiny and for the assessment year 1998-99 done in summary manner were checked and omissions noticed leading to undercharge of tax of Rs.186.09 crore as pointed out by C & AG in its Report No.12A of 2002 (Direct Taxes) in paragraphs 4.6.1 to 4.6.7;

(b) if so, whether the matter been enquired into; and

(c) if so, details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) The C&AG in their Report No.12A of 2002 (for the year ended March, 2001)laid down inParliament on 15th March, 2002 have pointed out certain mistakes in the assessment of some major Cement Companies like M/s. ACC Ltd., M/s. India Cements Ltd., M/s. Madras Cements Ltd., M/s. Gujarat Ambuja Cements, M/s. Chettinad Cements Corpn. Ltd. andM/s. Mangalam Cements Ltd.The details of which have given in para.4.6.1 to 4.6.7.

(b)&(c) The Report of the C &AG is being examined in the CBDT and also in the field formations to determine the correctness or otherwise of aforesaid audit observations. Remedial action will be taken by the field officers wherever found necessary.