

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:7853
ANSWERED ON:17.05.2002
C & AG REPORT
ARUN KUMAR

Will the Minister of FINANCE be pleased to state:

(a) whether the C & AG in its report 12A of 2002 (Direct Taxes) have pointed out mistakes in assessment in paragraphs 4.6.1 to 4.6.7 and 4.10.5; and

(b) if so, the action taken thereon?

Answer

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

(a) In para 4.6.1 to para 4.6.7 of their Report No.12A of 2002 (for the year ended March, 2002) laid down in Parliament on 15th March, 2002, the C & AG 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. and M/s. Mangalam Cements Ltd. In para 4.10.5 they have pointed out mistakes in the assessments in the case of M/s. Hindustan Spinning & Weaving Mills Ltd.

(b) The said 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 is taken by the field authorities wherever the objections are found acceptable. Even in the cases where the objections are not found acceptable remedial action is initiated as a precautionary measure as per CBDT's Instructions.