

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:814
ANSWERED ON:25.07.2003
C & AG OBSERVATION ON FUNCTIONING OF CENTRAL EXCISE
SHEESH RAM SINGH RAVI

Will the Minister of FINANCE be pleased to state:

- (a) whether the commissionerates of Central Excise are not working as per the regulations laid down by the Central Board of Excise and Customs causing huge financial loss to the State as has been brought out by the C&AG in its Report No.11 of 2003 (Indirect Taxes - Central Excise and service tax) on the page 56;
- (b) if so, the reaction of the Government thereto; and
- (c) the action taken by the Government against the delinquent officials?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

- (a) The Commissionerates were operating as per the CBEC Circular No.584/21/2001-CX dated 7th September 2001. Since the credit have been availed in respect of inputs used in manufacture of goods cleared on payment of duty there is no revenue loss in the matter.
- (b) & (c) Nil, in view of reply (a)