

Excise levy assessments to be reviewed

By Our Staff Correspondent

BOMBAY, September 8: The Comptroller and Auditor-General of India has instructed the audit department to review all excise levy assessments involving a duty of Rs. 10 lakhs and more decided during January-March 1977. "Special Scrutiny" of customs duty realisations amounting to Rs. 5 lakhs or more for the same period has been ordered.

The audit staff has been asked to critically examine "the correctness of classification" of goods to detect irregularities.

The special scrutiny, it is understood, is regarded important in view of the statement made by the Union Law Minister, Mr Shanti Bhushan, on large-scale donations made by several companies to political parties. It is believed that many companies enjoyed official favours by donating to party funds.

One such instance is that of a chemical company. A sizable amount of Central excise duty payable by the company was written off by previous government a few months prior to the March Lok Sabha elections. This concern also figures in the list of 180 companies released by the government yesterday covering firms which have admitted to paying more than Rs. 1 lakh to party funds.

The write-off obtained by any company is liable for a routine audit by the department. But the audit personnel are reportedly denied access to the files of this particular company by the central excise collectorate. Even efforts by top audit officials to get hold of the files for scrutiny have proved abortive. The central excise collectorate is reported to be acting under instruction from the Central Board of Customs and Central Excise in the matter.