

Development of Sitamarhi under Swadesh Darshan Yojana

†*83. SHRI PRABHAT JHA: Will the Minister of TOURISM be pleased to state:

(a) whether Ramayana Circuit, which also includes the prominent tourist site of Sitamarhi of the State of Bihar is being developed under Swadesh Darshan Scheme, if so, the details thereof; and

(b) whether the progress of development of Sitamarhi tourist site is on expected lines, if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRI K. J. ALPHONS): (a) Ramayana Circuit is one of the fifteen thematic circuits identified for development under the Swadesh Darshan scheme of Ministry of Tourism. The Ministry has initially identified fifteen destinations including Sitamarhi, Bihar for development under the Ramayana Circuit theme namely Ayodhya, Nandigram, Shringverpur and Chitrakoot (Uttar Pradesh), Sitamarhi, Buxar and Darbhanga (Bihar), Chitrakoot (Madhya Pradesh), Mahendragiri (Odisha), Jagdalpur (Chhattisgarh), Nashik and Nagpur (Maharashtra), Bhadrachalam (Telangana), Hampi (Karnataka) and Rameshwaram (Tamil Nadu).

(b) The projects for development under the scheme are identified in consultation with the State Governments/Union Territory Administrations and are sanctioned subject to availability of funds, submission of suitable detailed project reports, adherence to scheme guidelines and utilization of funds released earlier.

The Ministry of Tourism has not sanctioned any project for the development of tourism infrastructure in Sitamarhi, Bihar.

Provision of legal services by audit firms

*84. DR. BANDA PRAKASH: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether an expert panel constituted by the Ministry has recommended that Advocates Act be amended to allow audit firms to offer legal services; and

(b) if so, the details thereof along with the other recommendations of the panel and the reaction of Government thereto?

THE MINISTER OF CORPORATE AFFAIRS (SHRI ARUN JAITLEY): (a) and (b) Yes, Sir. The Committee of Experts (CoE) constituted by this Ministry has recommended

†Original notice of the question was received in Hindi.

to amend the Advocates Act, 1961 to facilitate development of Indian law firms as well as audit firms into Multi-Disciplinary Practice (MDP) firms.

The CoE noted that without multi-disciplinary expertise, Indian Chartered Accountancy firms, especially the non-network firms, would not be able to provide comprehensive expertise and support to their clients, which is detrimental for the growth of Indian audit firms. Recent reforms like the Insolvency and Bankruptcy Code, 2016 highlight the importance of Chartered Accountants, Valuers and Lawyers working together efficiently in resolving the huge volumes of stressed assets across sectors. Even during the stakeholders' meetings it emerged that most of them including audit firms, professional institutes and industry associations favour development of MDPs in India. As a first step towards this, the CoE has recommended amendment of the Advocates Act, 1961 to promote the structure of MDPs.

The other recommendations of CoE are:-

- (i) Allowing solicitation of work through advertisement by all Chartered Accountants subject to reasonable restrictions;
- (ii) Allowing Branding with international networks to increase competitiveness of the Indian audit firms;
- (iii) ICAI to amend the Chartered Accountants Regulations, 1988 to explicitly prohibit a CA from signing on behalf of any company;
- (iv) Inclusion of more services (taxation, valuation, restructuring) as prohibited non-audit services under Section 144 of the Companies Act, 2013;
- (v) Cap that non-audit fees earned by a network from a listed audit client (including its holding and subsidiary companies) shall not exceed 50% of audit fee earned by such network from such client. Auditor shall file a declaration with NFRA stating that it has complied with the cap on non-audit fees;
- (vi) NFRA be further strengthened and therefore, the rules which are presently being formulated, must provide powers to NFRA to publish audit inspection results, subject to necessary checks and balances. This will strengthen NFRA further and will provide an effective tool of deterrence for better compliance by the auditors of public companies with the applicable laws and professional standards;

- (vii) NFRA should be explicitly empowered by law to impose civil liability in the form of monetary penalties on the international network/entity with who/which the Indian audit firm has entered into networking/membership agreement, if any audit failure or fraud is found to have been caused due to any faulty methodology being followed by that particular network.

The Report of CoE has been sent to the Government which has been put on the website of Ministry of Corporate Affairs. The Government have sought the comments of all the Stakeholders on the said report.

Release of balance revenue deficit of Andhra Pradesh

*85. SHRI Y. S. CHOWDARY: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that against the revenue deficit of ₹ 16087.76 crores, as certified by Comptroller and Auditor General of India (CAG) the Ministry has approved only ₹ 4417.89 crores for Andhra Pradesh and part of this money is yet to be released after four years;
- (b) if so, the reasons therefor;
- (c) whether Government is considering to release the entire balance revenue deficit as certified by CAG; and
- (d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI ARUN JAITLEY): (a) to (d) No. Audited figures as reflected in State Finance Accounts for 2014-15 published by AG (A&E), Andhra Pradesh and Telangana mentioned a Revenue Deficit of ₹ 16078.76 crore for the period of 2nd June, 2014 to 31st March, 2015. After taking into account ₹2303 crore released by the Central Government (GoI) during 2014-15 towards Resource Gap of the Successor State of Andhra Pradesh, the revenue deficit amounted to ₹ 13775.76 crore. Further, AG (A&E) informed that launching of new schemes by GoAP viz. Agriculture Debt Redemption Scheme, assistance to DISCOMS for taking over Financial Restructuring Plan Bonds, assistance to APTRANSCO, incentives for industrial promotion and enhanced expenditure on INDRAMMA old age and disabled pension schemes by way of broadening the base and monthly pension rate have contributed to this revenue deficit.