

**Propellant Factory in Warrangal
District of Andhra Pradesh**

4290. SHRI C. MADHAV REDDI :
Will the Minister of DEFENCE be pleased to state :

(a) whether Government have taken a decision on the proposal to establish a Propellant Factory;

(b) whether the offer of Government of Andhra Pradesh to set up this factory at Warrangal has been accepted; and

(c) if so, what further steps are contemplated in this regard ?

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ V. PATIL) : (a) No, Sir.

(b) and (c). Decision regarding location of the proposed Propellant Factory has not yet been taken by the Government.

Advance Payment of Excise Duty

4291. SHRI RAM BAHADUR SINGH:
SHRI S.M. GURADDI :
SHRI G.S. BASAVARAJU :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that there are huge arrears of excise duties of both private and public sector companies;

(b) if so, the reasons therefor and the action taken against these companies;

(c) whether such arrears are growing every year; and

(d) if so, whether Government propose to introduce the scheme of advance payment of excise on the lines of advance payment of income-tax ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) The amount of excise arrears in confirmed demands as at the end of September, 1987 is Rs. 650 Crores approximately besides the amounts locked up in current disputed assessments.

(b) The amounts are due as the recovery

could not be effected for legal and administrative reasons, such as dispute regarding assessments made by the Department, classification and valuation disputes and appeals thereon, Court cases, stay against recovery etc. etc. The Government take such measure like legal, administrative and others as are considered necessary from time to time to recover the dues.

(c) Excise dues in confirmed demands during 1984, 1985, 1986 and 1987 (as on 30.9.87) are as under :

(In Crores approx).	
31.3.84	Rs. 457
31.3.85	Rs. 524
31.3.86	Rs. 630
31.3.87	Rs. 602
30.9.87	Rs. 648

(d) There is no such proposal before the Government.

**Reported Malpractices in Recruitment
To Army/Navy**

4292. SHRI RAM BAHADUR SINGH : Will the Minister of DEFENCE be pleased to state :

(a) whether Government are aware of continued reports about racketeering in recruitments to Army and Navy (Telegraph, Calcutta of 16 November, 1986);

(b) whether situation in West Bengal is reported to be particularly alarming; and

(c) if so, what steps have been taken by Government to effectively stop these malpractices in the recruitment to Army and Navy ?

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ V. PATIL) : (a) The article published in 'Telegraph' of 16th November, 1986 highlights the following aspects :

- (i) Production of fake and forged certificates by candidates at the time of screening for recruitment;
- (ii) Operation of bogus recruitment parties; and

- (iii) The activities of agents and touts outside the orbit of Recruitment Organisations.

The article also points out the difficulties faced by the local given civil police in dealing with these cases effectively and expeditiously.

(b) and (c). No specific report from the Zonal Recruitment Officer, Calcutta, has been received. Keeping in view the various complaints received from public and press, effective steps have been taken to check the identity of the individuals and to inspect the documents at the Branch Recruitment Officers during initial screening to detect such cases. The second and more thorough check is again done when the recruits arrive at the Training Centres. The methodology for these have been laid down in great detail to be followed by each Recruitment offices and Training Centre. Certificates produced by candidates, if detected to be fake, are confiscated and the candidates are handed over to the police authorities. Information about touts and bogus recruitment teams are given to the Civilian Police for investigation and follow-up action. Wide publicity is given through the media to educate candidates that recruitment is open to everybody and is a free service and that they should not fall prey to unscrupulous elements.

LIC Bonus

4293. SRRIMATI KISHORI SINHA : Will the Minister of FINANCE be pleased to state :

(a) whether the Life Insurance Corporation of India has offered the highest ever bonus during the latest evaluation;

(b) whether this bonus reflects higher interest return or better management of the LIC; and

(c) whether there is a proposal to increase the surplus through larger investments in high dividend or interest yielding items ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. The Life Insurance Corporation of India has declared the highest ever bonus rates as a result of its latest valuation as at 31.3.1987.

(b) These bonus rates reflect both higher interest return as well as better management of the LIC.

(c) Efforts are constantly made by the LIC to increased the valuation surplus by investing the available funds for obtaining maximum possible yield by way of dividend or interest consistent with the security of the investments.

Decision of Conference of Central Excise and Customs Collectors

4294. SHRIMATI KISHORI SINHA : Will the Minister of FINANCE be pleased to state :

(a) what decision was taken at the recently held conference of the Central Excise and Customs collectors about gearing up tax collections;

(b) whether an arrears clearance drive is proposed to be launched; and

(c) if so, when ?

THE MIMISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) to (c). At the recently held Conference of Collectors of Central Excise and Customs, it was decided to take various measures to gear up tax collection. These measures, include legislative measures like rationalisation of tariff rates, plugging of loop-holes in requirements of tax compliance, administrative measures like stopping up the anti-evasion/anti-smuggling activities, tightening control over tax payers, extending cooperation to honest tax-payers to clear consignments/goods expeditiously after importation/manufacture, encouragement to the staff like speeding up staff welfare measures, restructuring the Excise and Customs Department with a view to speed up decisions, computerisation to held augment decision making machinery; improving the reporting and monitoring system for better management of tax collection, expediting decisions in Court cases blocking large chunks of revenue etc., besides undertaking an arrears clearance drive during the months of November and December, 1987.