

eastern part of Uttar Pradesh but, of course, if the hon. Member wants it, I will supply the information.

[Translation]

SHRI RAJ KUMAR RAI : There is none there. My submission is that not a single godown is there. Why is it so, that is my question ?

Why there is not a single godown ? Why this disparity is there ?

[English]

SHRI A. K. PANJA : Sir, so far as Uttar Pradesh is concerned, 127 applications have been received for this new scheme, out of which 32 have not deposited any earnest money. To satisfy the hon. Member I will look into it as to how many out of these 127 will become eligible and how many will be in the eastern part.

SHRI THAMPAN THOMAS : Sir, the question that I would like to ask is that there are certain sub-depots run by FCI directly in certain States, especially in Kerala. Now they are being wound up and are being given to private parties. Also in Madras, Visakhapatnam and Kandla, there were 6,000 workers working directly under the Food Corporation of India whose services were terminated and the work is being given on private contract I would like to ask the Minister when is he going to tender the whole functioning of the Food Corporation of India.

SHRI A. K. PANJA : Sir, a separate question might be put for this so that I may reply to the hon. Member because it does not arise out of the scheme.

[Translation]

SHRI RAJ KUMAR RAI : Mr. Deputy Speaker, Sir, my question has not been replied to.

[English]

MR. DEPUTY SPEAKER : Already you have asked and not got the answer.

Don't put it again..... (Interruptions)

[Translation]

SHRI RAJ KUMAR RAI : Sir, my question has not been replied to. It will be a wrong precedent that a question is asked about eastern Uttar Pradesh and the reply is given about Tamil Nadu. We want your protection. If you do not give us protection, who else will give ? My question must be replied to...

[English]

MR. DEPUTY SPEAKER : You please take your seat. Already you asked the question and the Minister has replied. There is no point now. Nothing will go on record.

(Interruptions)**

Pending court cases of excise duties

*557. SHRI S. G. GHOLAP : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that large number of cases of excise duty are pending in courts;

(b) if so, the number of cases and the amount involved therein;

(c) whether it is fact that one of the important reasons for increase in number of excise cases is buying time for paying the excise duties; and

(d) whether Government are charging interest on the amount from the date of order or any other action is taken ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) to (d) A statement is given below.

Statement

(a) and (b) The total number of cases involving excise duty pending both in the Supreme Court and the various High Courts as on 31.12.1985 was 7158. Many of the cases have a bearing on rate of duty, valuation and in some cases the excisability of the product. Therefore, precise quantification of the revenue involved

**Not recorded.

is possible only after the court cases are decided.

(c) and (d) In recent years the tendency to file court cases against the Government & get stay orders is on the increase. There is no provision in the Central Excise law to charge any interest on the amount due from the parties. However, in cases where the parties request the facility of payment in instalments, compound interest at the rate of 17.5% per annum is charged on the dues outstanding at the end of each month.

SHRI S. G. GHOLAP : Sir, he has replied that the value cannot be given as it is to be decided by the Court. But the decision must have been taken by the officers. So, my question is this. What is the value as per the decision taken by the officers ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : As I stated about 7158 cases are pending in the High Courts and Supreme Court. The approximate amount involved is Rs. 2029 crores, 28 lakhs.

SHRI S. G. GHOLAP : As the interest is not charged the person who goes to the Court gets the advantage while the person who pays has to incur loss. So, what action Government is taking to amend the Act accordingly ?

SHRI JANARDHANA POOJARY : It is true there is no provision for charging interest. However in the cases where the parties request the facility of payment in instalments, compound interest at the rate of 17.5 per cent per annum is charged on the dues outstanding at the end of the month. I have noted the suggestion which has been made by the hon. Member.

Effect of MODVAT on automobile industry

*558. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of FINANCE be pleased to state :

(a) Whether Government are aware

that introduction of MODVAT and hike in excise duty has affected the automobile industry adversely;

(b) if so, the details thereof; and

(c) the measures proposed to be taken to help the industry;

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) A statement is given below

Statement

As part of the 1986 Budget proposals, excise duty on fuel-efficient and non-fuel efficient motor cars and Jeeps and vans has been raised. Besides excise duty has been levied on body-building of the motor vehicles.

2. Appropriate adjustments in the rates of excise duty on motor vehicles were also made taking into account the input duty relief under the MODVAT Scheme by rounding them off to the nearest step in the new duty structure. For example, the various rates of excise duties, such as, 15.75% and 21% as applicable to medium/heavy commercial vehicles and light commercial vehicles, were rounded off to 20% *ad valorem*.

3. Representations have been received from the automobile industry in this connection. Measures taken to provide relief of the industry include raising of the exemption limit under the small-scale exemption scheme, exemption for job work and inputs used captively in the manufacture of final products.

[Translation]

SHRI YASHWANTRAO GADAKH PATIL : Mr. Deputy Speaker, Sir, my question was whether introduction of MODVAT Scheme and hike in excise duty had affected the automobile industry adversely ? The reply states only this much that representations have been received from the automobile industry in this connection. The introduction of MODVAT and hike in excise duty have sent shock waves in the automobile industry.