

consideration at Rs. 27,79,799.87 (Rupees twenty seven lakhs seventy nine thousand seven hundred and Ninety nine and paise eighty seven only) and demanded this duty from the company. He further held that the Company had acted deliberately in defiance of the law for long years, contravening the provisions of the Central Excise Rules and defrauding the Government of huge amounts of revenue. He therefore imposed on the Company a penalty of Rupees One Crore under Rule 173Q of the Central Excise Rules, 1954. He also, under the same rule, ordered confiscation of the land, buildings, plant and machinery used in the manufacture, storage etc. of the carbon dioxide gas, with an option to the Company to redeem the same on payment of a fine of Rs. 50 lakhs.

Section 33 of the Central Excises and Salt Act, 1944, provides for adjudication of offences by officers empowered under the Act, and Section 9 *ibid* provides for prosecution of persons who evade the payment of any duty payable under the Act or commit other offences as specified in that section. The case has already been adjudicated with the results indicated above. The Company filed a writ petition to the Delhi High Court. According to the order dated 24-4-1978 of a division bench of the High Court :—

(i) The petitioner would file an appeal to the Central Board of Excise and Customs against the Collector's order ;

(ii) Until the disposal of the appeal, recovery of the Excise duty and penalty would not be enforced ;

(iii) In case there was any consideration of prosecuting the petitioners, the Court and the petitioner thereby would be informed ;

(iv) Provisional assessments might be made for future periods, and subject to the furnishing of security bonds by the petitioners, there would be no recovery of the amounts so assessed.

Further action to be taken by the Collector and by the Central Board of Excise and Customs will be in accordance with law and the merits of the case and within the confines of the High Court's order.

Declaration by M/s Delhi Bottling Company to Excise Authorities

*1002. SHRI MALLIKARJUN : Will the minister of FINANCE be pleased to state :

(a) whether it has come to the notice of the Government that soft drinks manufacturers, by the name of M/s. Delhi Bottling Company, have declared to the Excise Authorities that Cola nuts extract

is not used in their drink "Thums up", but at the same time they are advertising in the press, hoardings and other media that it is a cola ;

(b) if so, are they not evading excise duty by false declaration; and

(c) if so, what action does the Government propose to take against the defaulting company ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGRAWAL) : (a) Yes, Sir; the manufacturer has declared in the price list that cola nut extract is not used in the manufacture of drinks including "Thums up". The manufacturer is advertising in the Press that "Thums up" is a refreshing cola.

(b) and (c). Aerated waters not containing extracts of cola (kola) nuts and falling under sub-item (2) of item No. 1D of the Central Excise Tariff are exempted from duty in excess of 25% ad valorem in respect of the first clearances for home consumption not exceeding 50 lakhs bottles by or on behalf of a manufacturer from one or more factories during any financial year subsequent to 1977-78. Aerated waters containing extract of cola nuts are liable to duty at the tariff rate of 55% ad valorem. The assessment of "Thums up" was being made provisionally by the Collectorate under rule 9B of the Central Excise Rules and was to be finalised on receipt of the report of Chemical Examiner on an analysis of the beverage. The Chemical Examiner's report has since been received by the concerned Collector and it has confirmed that "Thums up" is free from cola nut extract. In view of this report, the assessee cannot be said to have made a false declaration to the Central Excise department or to have evaded Central Excise duty.

कृषि भूमि जोतों पर करों संबंधी राज समिति¹¹
की सिफारिशों की क्रियान्विति

*1003. श्री सुखन्द सिंह : क्या वित्त
मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि केन्द्रीय सरकार ने राज्य सरकारों को सलाह दी है कि वे कृषि भूमि जोतों पर करों सम्बन्धी राज समिति द्वारा की गई सिफारिशों को एक निर्धारित अवधि में क्रियान्वित करें ;