

sector has had such a detailed socio-economic survey of the whole handloom industry, the type of looms that they use, how many people work on them, what is their daily production so that we have actual figures of production as well as the people engaged on them. So, the figures that are before us show that there is an increasing trend. But the real situation can only be ascertained after the handloom census is over.

[*Translation*]

SHRI RAM BHAGAT PASWAN : The hon. Minister has stated that the handloom sector is very important but he has not stated what is being done for its protection. The viscous fibre is supplied by big industrialists and capitalists at black market rates which the handloom weavers cannot afford to pay. Consequently, thousands and lakhs of handloom weavers have been rendered jobless. I want to know from the hon. Minister whether any action has been taken to control the prices of this fibre and also to protect the handloom weavers from the big capitalists who are supplying this fibre at black market rates and if so, the details thereof ?

SHRI RAM NIWAS MIRDHA : There is no shortage of yarn at present and several measures have been adopted to see that yarn is available in time and at fair prices. A National Handloom Development Corporation has been set up and its main aim is to provide yarn at reasonable rates to the handloom sector. Along with it, there are several mills which are in the cooperative sector and fortunately there is a large sector in which many mills are run by cooperatives themselves. These might be called weavers' mills. Apart from this, those who are in the handloom sector get yarn from the cooperative mills and also from the Handloom Corporation.

[*English*]

SHRI G.L. DOGRA : Sir, I would like to know from the hon. Minister whether he is aware of the fact that the present textile price policy has hit hard the consumers of the coarse cloth and that the people who are below the poverty line have also been hit very hard. Even the handloom weavers, as

has been pointed out by Prof. Ranga, have been hit hard. They say that as usual they are not able to use it. What have the producers of the coarse cloth both in the handloom sector and the mill sector done for this? Do they propose to revive the *kanoon*?

SHRI RAM NIWAS MIRDHA : Sir, it is not correct to say that the price of coarse cloth has risen very high or the price of even the yarn has risen high. Sir, I have before me a statement which says that from June 1985 to December 1986 in respect of cotton long cloth of medium variety there is a rise of only 3.8 per cent. Shirting and poplins of medium category 7.9 per cent in a year and a half, and dhotis etc. are down 0.3 per cent. So, it is not correct to say that. There may be a local spurt in the price, but on the whole the prices are satisfactory.

**Excise Duty Evasion by Ayurvedic
Pharmaceutical Units in Delhi**

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*620. **SHRI M. RAGHUMA
REDDY :**

SHRIMATI MEIRA KUMAR :

Will the Minister of HOME AFFAIRS be pleased to state :

(a) the number of ayurvedic pharmaceutical units manufacturing drugs with alcoholic content or effect in Delhi ;

(b) whether some of these units have been evading excise duty by not showing actual production ; and

(c) if so, the action taken against these defaulting companies ?

**THE MINISTER OF HOME AFFAIRS
(S. BUTA SINGH) :** (a) 14 units.

(b) Yes Sir. One case of excise duty evasion was detected.

(c) Penalty in accordance with the relevant Act/Rules was imposed besides recovery of the excise duty.

SHRI M. RAGHUMA REDDY : Sir, there are nearly 40 factories manufacturing this Mritasanjeevini, Mahadrakshasevam

arista in and around Delhi. Each factory is manufacturing 200 to 300 boxes per day. The Government of India levied Rs. 125 per box. So, I want to know from the hon. Minister how much amount we have collected from the 40 factories during the last year, how much they are due, what action the Government has taken.

SHRI CHINTAMANI PANIGRAHI : I hope, Sir, this question does not come under my Ministry, but only about evasion . . . (*Interruptions*). The question is whether some of these units have been evading excise duty by not showing their production. (*Interruptions*). Multani Ayurvedic pharmacy has already deposited a sum of Rs. 2.67 lakhs as excise duty which included Rs. 80,000 which was evaded. So, it is only that particular unit, because as I said, out of 14 unit this unit was seen that it was evading excise duty.

SHRI M. RAGHUMA REDDY : There are nearly 40 units which are manufacturing this sura. But you said only 14. But even out of that, for each box you have levied Rs. 125 as tax. If you calculate it will come to Rs. 25 lakhs in a year, but you said it is only Rs 26 lakhs. This is a meagre amount.

SHRI CHINTAMANI PANIGRAHI : I said Rs. 2.6 lakhs.

SHRI CHINTAMANI PANIGRAHI : Excise duty collection is not with us. It is only about whether they have been evading the tax.

SHRI M. RAGHUMA REDDY : I put the question to the Minister of Finance, from where it has been transferred to the Ministry of Home Affairs. I do not know the reason. But if the question has been transferred to the Minister of Home, he should have come prepared.

SHRI BHAGWAT JHA AZAD : He should have refused.

SHRI M. RAGHUMA REDDY : He should have refused if he is not ready with the question.

SHRI CHINTAMANI PANIGRAHI : The question was whether the excise duty is being evaded and what steps we are taking. So far as the excise duty is concerned, this comes under Finance. We are only concerned as to how it has been evaded.

(*Interruptions*)

SHRI M. RAGHUMA REDDY : I would like to know from the Minister whether he is going to...

SHRI CHINTAMANI PANIGRAHI : I will get this information and give it to you.

SHRI M. RAGHUMA REDDY : I would like to know from the hon. Minister whether he is going to institute a Committee to go into the details of the evasion of the taxes.

(*Interruptions*)

SHRI CHINTAMANI PANIGRAHI : It does not arise. If the hon. Member wants the information, we can collect the information and send it to him.

(*Interruptions*)

SHRI M. RAGHUMA REDDY : I do not want the information. I want some facts from you and from the Finance Minister.

(*Interruptions*)

[*Translation*]

SHRI V. TULSIRAM : The question is numbered 620. If its number had been 420, then there would have been no trouble.

MR. SPEAKER : Your sharp wit has detected it.

[*English*]

SHRI CHINTAMANI PANIGRAHI : What I have submitted is that we can collect the relevant information and sent it to the hon. Member about the entire excise duty evasion etc...

(*Interruptions*)

[Translation]

SHRI BALKAVI BAIIRAGI : This question relates to liquor. If you put to the Minister of Culture, you will get a good reply.

MR. SPEAKER : Because it is an *asava*.

DR. PRABHAT KUMAR MISHRA : In the manufacture of Ayurvedic drugs, alcohol is produced in a limited quantity through a natural process due to fermentation. You are talking about imposing tax on alcohol but how far will it be fair to impose taxes on such medicines in which alcohol is produced through a natural process ? Of course, some people use more alcohol than what is required. Will the hon. Minister consider the proposal of not imposing tax on such medicines in which alcohol is produced through natural process ?

[English]

SHRI CHINTAMANI PANIGRAHI : According to the Medicinal and Toilet Preparation (Excise Duties) Rule 1956, if the proof strength reported by the Chemical Examiner is more than 3 per cent proof spirit than the strength declared by the manufacturer on the labels pasted on such bottles, the manufacturer is liable to a penalty at the rate of 10 times the difference in duty the quantity so manufactured but not exceeding Rs. 2000/-. Therefore, if more than 3 per cent proof spirit difference is there, the penalty is imposed.

**Compensation to People Displaced
due to Setting up Ordnance Factory
in Bolangir District of Orissa**

*621. SHRI CHINTAMANI JENA : Will the Minister of DEFENCE be pleased to state :

(a) the details of compensation being paid to persons displaced on account of setting up of an ordnance factory in Bolangir district of Orissa ;

(b) whether any complaint has been made that the compensation being paid is not adequate ; and

(c) if so, the steps taken by Government 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) It has been reported by the Orissa Government that out of a total amount of approximately Rs. 2.46 crores as compensation payable to 2343 persons whose land has been acquired for the factory site, approximately Rs. 2.36 crores have been paid to 2108 persons at rates ranging between Rs. 11,048 and Rs. 3,350 per acre as per the law depending upon the type of land. The balance amount has not yet been paid because of non-appearance of parties, non-production of land records and reference to Civil Court for apportionment of compensation.

(b) and (c) No complaint about compensation has been received in this Ministry. However, it is understood that 61 persons have received compensation under protest and these cases have been referred to civil court as per their desire, for determination of due compensation under the Act.

SHRI CHINTAMANI JENA : Sir, may I know from the hon. Minister whether it is a fact that the 2108 persons who have already received the compensation are not leaving their lands to be taken possession of by the Government and if so what is the reaction of the Government on this issue. May I also know from the hon. Minister whether it is a fact that the 200 and odd persons who have not come forward to take their compensation with the argument that the compensation fixed is not at par with other places where such lands have been taken over for other projects. If so, what is the reaction of the Government in this issue also ?

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ V. PATIL) : The procedure laid down for