

EXCISE DEPARTMENT
MATERIALS FOR BUDGET SPEECH

- (I). The target for Excise Revenue Collection during the year 2007-08 has been fixed at Rs. 553.70 crores by the Finance Department. During the year 2007-08, the total collection of Excise Revenue without Sales tax and Entry tax stands at Rs. 524.83 crores as against collection of an amount of Rs. 430.12 crores during 2006-07. This shows an increase of collection of 22.01% over the collection of previous year. Moreover 94.78% of the total target fixed at Rs. 553.70 crores has been collected during the year 2007-08. It may be mentioned here that 94.78% of the target as reflected in Budget Estimate for 2007-08 at Rs. 553.70 Crores, has been achieved. The following table shows the collection position of the Department.

<i>Item</i>		<i>Collection Excise Revenue during 2006-07 (Rs. in Crore)</i>	<i>Collection Excise Revenue for 2007-08 (Rs. In Crore)</i>
1.	Excise Revenue	187.70	223.71
2.	Excise Duty	242.42	301.12
	TOTAL	430.12	524.83
5.	Sales Tax	109.50	121.62
6.	Entry Tax	0.93	0.55
	TOTAL	110.43	122.17
	GRAND TOTAL	540.55	647.00

II) DEPARTMENTAL INITIATIVES:

(a) Recommendations of Sri M.R.Pattanaik, Commission on Liquor Tragedy, Puri & Khurda have been implemented.

(b) Bihar and Orissa Excise Act, 1915 has been amended suitably to make many excise offenses non-bailable and cognizable resulting in drastically reduction of excise offenses.

(c) Public awareness has been made involving the NGO, SHG & Panchayati Raj Institutions about the dangers of drinking particularly I.D. and spurious liquor.

(d) Record number of Hemp Plants throughout the State and particularly in Naxal areas have been destroyed.

(e) Inflow of duplicate and non-duty paid liquor from outside the State has been prevented. Smuggling of spirit has also been stopped.

(f) Due to vigorous enforcement activities the sale of C.S. liquor and IMFL has been increased in comparison to last year by 46% and 18% respectively.

(g) The Excise Officers have been empowered with Police power in investigating the Excise cases. Provisions has also been made in the said Act for opening of Excise shops by the Government organisations without taking licence with a view to break the dishonest alliance of the liquor traders.

(h) The Excise enforcement measures have been strengthened. The District Magistrate and Superintendents of Police have been asked to keep close watch on the suspected illicit distillation centers and spurious liquor. Joint raids have been conducted by Police and Excise personnel at the district level for better enforcement activities to prevent the manufacture, supply and sale of illicit liquor in the district.

III) POLICY INITIATIVES TO GENERATE EXCISE REVENUE:

In order to generate more excise revenue the following measures have been taken for the year 2007-08:-

(a) There is increase in Excise Duty and C.Money which may enhance the MGQ of F.L. shop, be generating more revenue.

(b) In order to meet the demand of F.L. one old Bottling Plant M/s. Oriental Bottling Plant (P) Ltd., has been reopened and a new Brewery licence has been issued to M/s. United Breweries Ltd. at Khurda and steps are taken for functioning of more Breweries and Bottling Unit, with letter of indents.

(c) F.L. shops have been proposed to be increased by at least 20% compared to the previous year 2006-07.

(d) Effective efforts are being made to settle the unsettled liquor shops and steps are also taken for supply of good quality liquor in all vacuum areas of the State, where there is demand of liquor.

(e) Effective steps are also taken for disposal of the unclaimed seized/ confiscated properties.

(f) Adequate and effective enforcement drives are being made to check I.D. Liquor and duplicate F.L. thereby Govt. will get more revenue towards duty and to cater good quality liquor to the liquor consuming public.

(g) The O.S. liquor has been ordered to sale in poly pack to mention its quality and strength and its transportation has been regulated.

(h) MRP of F.L. has been introduced to protect the interest of the consumer.

(i) Provisions has been made for introduction of low strength Alcoholic Beverage "Breezer" in the State.

(j) Instructions have been issued for collection of arrear excise revenue through certificate cases under OPDR Act and Revenue Recovery Act and also by way of personal endeavour. The collection of excise revenue has been increased by 11% during the year 2006-07 in comparison to 2005-06 although there is no increase in number of Excise shops and there was ban order of the Government.

(IV) COMPLIANCE TO C&AG OF INDIA PARAS:

The Compliance to all the draft paras for the period from 1991-92 to 2005-06 have been furnished to O.L.A. for examination by P.A.C. with copies to A.G. (CW&RA), Bhubaneswar and Finance Department. The P.A.C. meeting in respect of compliance to Draft Paras for the year 2003-04, 2004-05 and 2005-06 has been completed meanwhile. The Triangular Committee Meeting has been held to reduce the nos. of pending IRs/Paras.

(V) NEW INITIATIVES:

(a) Steps has been taken for construction of Excise Range, Charge Officers in the state with Malkhana.

(b) Proposal is under active consideration for opening of three new testing laboratories exclusively for Excise Department at Cuttack, Berhampur and Sambalpur.

(c) Three new OSBC Depots at Keonjhar, Bolangir and Angul has been proposed to be opened.

(d) Proposals has been sent to Government for preparation of Beer out of SORGHUM (Jower Seeds).

(e) Orders communicated for tagging of Dry/Vacum areas to their nearest O.S. liquor shops.

(f) The Select Committee on the Orissa Excise Bill, 2005 has finalised its recommendations and likely to be placed before the ensuing session of the Orissa Legislative Assembly.

(g) Temporary Ban in export of Mohua Flower issued to avoid shortage.

(h) Revolvers have been supplied to the field staff for better enforcement work.

(i) S.I. and above rank officers have been vested with powers of entry, search, seizure, arrest, authorization of arrest and filling of complain under the provision of NDPS Act.

(j) Appropriate training is being imparted to the excise officials.