

**EXCISE DEPARTMENT**  
**MATERIALS FOR BUDGET SPEECH**

- (I). The target for Excise Revenue Collection during the year 2008-09 has been fixed at Rs. 650.00 crores by the Finance Department. During the year 2008-09 (upto December, 2008), the total collection of Excise Revenue without Sales tax and Entry tax stands at Rs. 587.88 crores as against the collection of Rs. 315.13 crores collected upto December, 2007 i.e. upto the corresponding month of the previous year 2007-08. This shows an increase of collection of 61.12% over the collection of previous year. Moreover 26.02% of the total target fixed for the year 2008-09 (i.e.Rs. 650.00 crores) has been collected during the year 2008-09. It may be mentioned here that 26.02% of the target as reflected in Budget Estimate for 2008-09 at Rs. 650.00 Crores, has been achieved. The following table shows the collection position of the Department.

<i>Item</i>		<i>Collection (upto December'2007) Rs. in Lakh</i>	<i>Collection (upto December'2008) Rs. in Lakh</i>
1.	Excise Revenue	Rs.10513.85	Rs. 12472.33
2.	Excise Duty	Rs.21013.12	Rs. 27260.53
	<b>TOTAL</b>	<b>Rs.31526.97</b>	<b>Rs.39732.86</b>
5.	Sales Tax	Rs.8871.79	Rs.11745.99
6.	Entry Tax	Rs.43.66	Rs.63.95
	<b>TOTAL</b>	<b>Rs.8915.45</b>	<b>Rs.11809.94</b>
	<b>GRAND TOTAL</b>	<b>Rs.40442.42</b>	<b>Rs.51542.80</b>

- (a) Recommendations of Sri M. R. Pattnaik, Commission of Liquor Tragedy, Puri & Khurda have been implemented faithfully.

- (b) Bihar and Orissa Excise Act, 1915 has been amended suitably to make many excise offences non-bailable and cognizable resulting in drastically reduction of excise offences.
- (c) The Orissa Excise Bill, 2005 has been passed by the O.L.A in 27.8.2008 and referred for obtaining assent of the President of India. This is the first excise reform law in the country.
- (d) Public awareness has been made involving the NGO, SHG & Panchayati Raj institutions about the dangers of drinking particularly I.D and spurious liquor.
- (e) Record number of Hemp Plants throughout the State and particularly in Nuxal areas have been destroyed.
- (f) Inflow of duplicate and non-duty paid liquor from outside the State has been prevented. Smuggling of spirit has also been controlled.
- (g) Due to vigourness enforcement activities the sale of legal IMFL and Beer has been increased considerably by 31.36 % and 42.20% respectively by the end of December ,2008 in comparison to corresponding period of last year and thereby driving out illegal liquor from the market.

In order to generate more Excise Revenue the following measures have been taken for the year 2008-09.

- I. There is increase in Excise duty and C. Money which may enhance the MGQ of F.L. shop, be generating more Revenue.
- II. 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.
- III. F.L. shops have been proposed to be increased as per the demand.
- IV. 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 and dry areas of the State, where there is demand of liquor.

- V. Effective steps are also taken for disposal of the unclaimed seized / confiscated properties.
- VI. Adequate & 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.
- VII. The O.S. liquor has been ordered for sale in poly pack to ensure its quality and strength and its transportation has been regulated.
- VIII. MRP of F.L. is in vogue to protect the interest of the consumer.
- IX. Provisions has been made for introduction of low strength Alcoholic beverage" Breezer" in the State.
- X. Steps are taken for collection of arrear excise revenue through certificate cases under OPDR Act and Revenue Recovery Act & also by way of personal involvement. The collection of excise revenue has been increased by 22% during the year 2007-08 in comparison to 2006-07 and it is likely to increase by 25% in the year 2008-09.
- XI. The public Accounts Committee has already examined the C&AG reports in respect of Excise Department for the year 2003-04, 2004-05, 2005-06 and 2006-07 and accepted the compliance of Department to a large extent. Expeditious steps are being taken to dispose of the pending IRs, draft paras and reports of C&AG of India in the review and T.C meetings.
- XII) **New initiatives, if any.**
  - (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 & Sambalpur.
  - (c) Three new OSBC depots at Keonjhar, Bolangir and Angul has been proposed to be opened.
  - (d) Orders has been issued for saie of C.S. liquor in Glass Bottles in the State.

- (e) Proposal has been sent to Govt. for establishment of an independent training institute of the department namely Orissa Excise Training Institute.
- (f) Proposals has been sent to Government for preparation of Beer out of SORGHUM (JOWER SEEDS).
- (g) Orders communicated for tagging of Dry / vacuum areas to their nearest O.S. Liquor shops.
- (h) Orissa Excise Bill, 2008 has been passed by the Assembly brining out an independent and consolidated law from the State of Orissa.
- (i) Temporary Ban in export of Mohua Flower issued to avoid shortage.
- (j) Revolvers have been supplied to the field staff for better enforcement work.
- (k) The Excise Officers have been declared experts by the Board of Revenue.
- (l) Hydrometer and Litmus papers supplied to the districts.
- (m) S.I and above rank officers have been vested with powers of entry, search, seizer, arrest. authorization of arrest and filing of complain under the provision of NDPS Act.
- (n) Approximately 77 Lakhs Hemp Plants have been destroyed till December. 2008.
- (o) Appropriate training is being imparted to the excise officials.

**BUDGET**

1. (a) During the last financial year 2007-08 a total expenditure of Rs.2,12,51 TRS has been made Commissioner Establishment towards salary and other ancillary purpose and District Executive Establishment a total expenditure of Rs.15,42,02 TRS has been made salary and other ancillary purpose.
  - (b) During the financial year 2008-09 both Commissioner Establishment and District Executive Establishment expenditure salary and other unit non salary upto November, 2008 is 12,27,92 (Non-Plan).
  - c) During the financial year 2008-09 both Commissioner Establishment and District Executive Establishment expenditure up to November, 2008 - Rs.97,94 TRS (STATE PLAN) .
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2. (a) **BUDGET PROVISION**  
During the financial year 2008-09 both Commissioner Establishment and District Executive Establishment salary and other unit. Budget Provision Rs.32,13,40 TRS has been provided for salary and other ancillary purpose to meet the expenditure 2008-09 (Non-Plan).
  - (b) During the financial year 2008-09 both Commissioner Establishment and District Executive Establishment salary and other non salary unit budget provision Rs.2, 17,00 TRS has been provided ancillary purpose to meet the expenditure 2008-09 (State Plan).