

ESTIMATES COMMITTEE 1959-60

EIGHTY-FIFTH REPORT

(SECOND LOK SABHA)

**MINISTRY OF FINANCE (DEPARTMENT OF
REVENUE)**

Action taken by Government on the recommendations contained in the Fifty-seventh Report of the Estimates Committee (Second Lok Sabha) on the Ministry of Finance (Department of Revenue)—Central Excise Department.



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 1960/Chaitra, 1882 (Saka)

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INTRODUCTION

I, the Chairman, Estimates Committee, having been authorised by the Committee present this Eighty-fifth Report of the Estimates Committee of the Second Lok Sabha on the Action taken by Government on the recommendations contained in the Fifty-seventh Report of the Estimates Committee (Second Lok Sabha) on the Ministry of Finance (Department of Revenue)—Central Excise Department.

2. The Fifty-seventh Report of the Estimates Committee (Second Lok Sabha) was presented to the Lok Sabha on the 28th March, 1959. The Government furnished their replies to the recommendations in the report between September, 1959 and March, 1960. The Study Group 'G' of the Estimates Committee examined these replies on the 11th and 14th March, 1960.

3. The Report has been divided into five chapters :

I. Report ;

II. Recommendations that have been accepted by Government;

III. Replies of Government that have been accepted by the Committee;

IV. Replies of Government that have not been finally accepted by the Committee ; and

V. Recommendations in respect of which final replies of Government have not been received.

4. An analysis of the action taken by Government on the recommendations contained in the Fifty-seventh Report of the Estimates Committee (Second Lok Sabha) is given in Appendix II. It would be observed therefrom that out of the 52 recommendations made in the Report, 50 per cent of the recommendations have been accepted fully by Government while 17 per cent of the recommendations have been accepted partly. Of the rest replies of Government in respect of 8 per cent of the recommendations have been accepted by the Committee while those in respect of 21 per cent of the recommendations have not been accepted by the Committee. The Government have not furnished replies to 4 per cent of the recommendations.

NEW DELHI—I;

The 18th April, 1960.

The 29 th Chaitra, 1882 (Saka)

H. C. DASAPPA,

Chairman,

Estimates Committee.

CHAPTER I

REPORT

The Estimates Committee are glad to state that the points brought out in their Fifty-seventh Report (Second Lok Sabha) have been replied to by Government generally to their satisfaction, especially the recommendation relating to the appointment of a Central Excise Reorganisation Committee. There are however a few recommendations replies to which have not been accepted by the Committee and have been commented upon in Chapter IV of this Report.

CHAPTER II

RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT

S. No. of the recommendation	Reference to Para No. of the Report	Summary of Recommendations/Conclusions	Reply of the Government
1	2	3	4
1 & 2	5-6 & 9	The Committee observe wide variations in the size and jurisdiction of different Collectories. They were informed that jurisdictions of Collectories were being continually adjusted in the light of experience. They, however, feel that such piecemeal adjustments do not really solve the problem, because connected with the problem of jurisdiction is another problem relating to the size of Collectories which necessitates the problem to be examined more comprehensively. While the Committee are glad that the need for the reorganisation of the Collectories has been recognised and it has been started at the level of primary formations which form the base of the structure, they feel that since the efficiency and the cost of the administration depend largely on the soundness of the organisation the question of the reorganisation of	The question of reorganising and bifurcating some of the heavier Collectories is already under active consideration of the Board. 2. We have recently issued orders for setting up a Dy. Collector's charge at Jaipur for attending exclusively to the Central Excise & Land Customs work in the Rajasthan State under the over all supervision of the Collector of Central Excise, Delhi. 3. The Bombay Central Excise Collectorate has been recently bifurcated and a new Poona Collectorate has come into being w.e.f. 15th June, 1959. 4. We have also sanctioned a post of Dy. Collector of Central Excise for the Allahabad Central Excise Collectorate and the question of placing him in independent charge of some Divisions is under active consideration.

the Collectorate should be examined comprehensively on priority basis.

5. The question of bifurcating the present Calcutta Collectorate of Central Excise and Land Customs into two separate charges, each performing both Central Excise and Land Customs work is also under examination.

This major recommendation will also be looked into by the proposed Central Excise Reorganisation Committee.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 8(43)59-AD IV dated the 8th October, 1959.]

[Please also see Footnote.]

While considering the reorganisation of the Collectorates, the Department may also examine the question of appropriate location of the Headquarters of the Collectorates.

This is always looked into whenever reorganisation is made. In any case, it will be looked into further by the proposed Central Excise Reorganisation Committee.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 8 (43) 59-AD IV dated the 8th October, 1959.]

The Committee cannot help feeling that considerations which hold good with respect to the allotment of Land Customs work to the Central Excise Department hold good equally

The Government have already made a beginning in this direction with the integration of the two erstwhile class I services, Indian Customs Service

Further information received at the stage of factual verification of the Report :—

“Orders have since issued for the complete bifurcation of the Calcutta Central Excise Collectorate into two independent charges, viz., the Calcutta & Orissa Collectorate and the West Bengal Collectorate with effect from the 1st April, 1960. Orders have also since issued for the formation of a combined Customs and Central Excise charge under the Collector of Customs, Cochin by transfer of the Kerala Unit of the Madras Central Excise Collectorate to the administrative control of the Collector of Customs, Cochin w. e. f. 1st May, 1960. [Ministry of Finance—(Deptt. of Revenue) Letter No. 8/43/59 Adm. IV, dated the 16th April, 1960].

in case of other Customs work, which could also be entrusted to the Central Excise Department for the same reasons. The Committee feel that it would be advantageous if the Customs and Central Excise Departments are amalgamated and rationalised so as to avoid duplication of establishment. Such an amalgamation the Committee feel might also enable the staff in the two departments to be employed more effectively and economically. They recommend that the question be carefully examined.

12 26

It has been represented to the Committee that the representation of Tobacco growers on the concerned Regional Advisory Committees is inadequate. They recommend that the question be examined by Government in consultation with representative associations of Tobacco growers.

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The Committee observe that the functions of the Advisory Committees have been expressed in negative terms. Further, they fail to see why it is necessary to limit the scope of the Advisory Committees which function only in an advisory capacity. They feel that so long as the powers of final decision rests with

& Central Excise Service into one service called "The Indian Customs & Central Excise Service". It is Government's intention to consider in due course what further merging is possible.

[*Ministry of Finance (Deptt. of Revenue) O.M. No. 8(43)59-AD IV dated the 8th October, 1959.*]

The Government have accepted the recommendation and necessary instructions have been issued to all Collectors increasing the number of growers' representatives on the Tobacco Regional Advisory Committees from one to two.

[*Ministry of Finance (Deptt. of Revenue) O. M. No. 3/60/59-CXI dated the 24th September, 1959.*]

The Government have accepted the recommendation and necessary instructions have been issued to the Collectors of Central Excise.

[*Ministry of Finance (Department of Revenue) O.M. No. 3/60/59-CXI dated the 24th September, 1959.*]

the Government there is no harm in allowing the Advisory Committees to discuss any matter including the policy behind individual cases but excluding individual cases themselves, as also judicial and semi-judicial work. On the other hand it would enable the department to feel the sense of the public with regard to its policies so that if there is scope for improvement therein it could be considered.

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The Committee suggest that in order that the Advisory Committees may grow into effective instruments of public co-operation, the Department may undertake a thorough review of the working of the Advisory Committees and on the basis of it take suitable steps to enthuse them into useful activity.

Widening of scope of the Regional Advisory Committees will doubtless enthuse them to useful activity. As advised by the Estimates Committee, review of the working of the scheme is, and will continue to be, undertaken from time to time.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59-CXI dated the 24th September, 1959.]

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The Committee suggest that while reviewing the working of the Advisory Committees the feasibility of associating M.Ps. and M.L.As. therein may also be considered.

The recommendation has been accepted and instructions have been issued to the Collectors of Central Excise that it is open to the Associations/Chamber of Commerce to nominate Members of Parliament or Members of Legislative Assemblies on their behalf to the Advisory Committee.

[Ministry of Finance (Deptt. of Revenue). O.M. No. 3/60/59 dated the 24th September, 1959].

17

The Committee feel that it would be advantageous if Advisory Committees are set up at the national and local levels so as to associate public opinion with the administration. They have already recommended in para. 47 of their 49th Report that there should be a Central Advisory Council to advise the Central Board of Revenue in regard to various duties, including the excise duties. They recommend that the desirability of setting up Advisory Committees below the level of the Collectorate might also be considered.

A combined Advisory Council at the Centre for both Customs and Central Excises has been set up recently. The suggestion regarding the setting up of Advisory Committees at levels lower than that of Collectorates is also generally acceptable. A beginning in this regard has in fact already been made and it has been decided to set up a Committee for the recently constituted Deputy Collectorate of Rajasthan (Jaipur). After gaining experience in this direction, the scheme of constituting lower level Committees will be extended to other Collectorates.

[*Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59 dated the 24th September, 1959.*]

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The Committee feel that the scope for the simplification of the procedures regarding assessment, levy and collection of duty on unmanufactured products needs to be examined. They suggest that for this purpose a study may be made of the procedures obtaining in other countries where duties on similar commodities are levied and the ways and means of improving the existing system explored.

This recommendation for specialised study by experts may be entrusted to the Central Excise Reorganisation Committee when set up in accordance with the Estimates Committee's recommendations contained in paragraph 103 of their 57th Report. In the meantime, we are trying to get information in respect of excise procedures in other countries through our Embassies abroad.

[*Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59 dated the 24th September, 1959.*]

23

The Committee suggest that suggestions etc. given in para. 42 of this report may be examined in consultation with the representative Associations of respective industries concerned or with Central Advisory Council setting up of which has been recommended in the Committee's Forty-ninth Report.

Government accept the recommendation.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59-CXI dated the 24th September, 1959.]

24

The Committee suggest that Excise Department should take steps to see that inconvenience is not caused to the tax payers in calling for *ad hoc* information from time to time.

The Government accept the suggestion that the trade should not be inconvenienced by calling for avoidable *ad hoc* information from time to time and orders to this effect have been issued.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/63/59-CXI, dated the 24th September, 1959.]

25

Judging from the complaints heard by them, the Committee cannot help feeling that measures so far taken to ensure that uniformity in the interpretations of the Law among different Collectorates, are not adequate. They, therefore, suggest that the representatives of trade and industry may be provided suitable opportunities to point out instances of lack of uniformity so that timely action may be taken to rectify the anomalies. In this matter, the Committee's suggestions to set up a Central Advisory Council *vide* para. 47 of their 49th Report and to activate the regional Advisory Committees *vide* para. 30 of the present report are particularly relevant.

A combined Central Advisory Council for both Customs and Central Excises has since been set up and its first meeting was held on the 3rd and 4th September, 1959. This Council should provide the necessary forum for the representatives of the trade and industry, through the members of the Council, to bring up any instances of lack of uniformity etc. The Committee's recommendation thus stands implemented.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59-CXI, dated the 24th September, 1959.]

26

47—50

The Committee note that there is little difference between the prices of *biri* tobacco (broken leaf) and non-*biri* tobacco (whole leaf). In fact in some cases the whole leaf price appears to be higher than the price of the broken leaf. In view of this, the difference in rates of duty had given room to various kinds of malpractices. They recommend that the entire matter may be carefully reviewed especially in the light of the allegation that there is at present a large scale evasion of excise duty on tobacco.

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69—72

The Committee observe that the total amount of arrears of excise duty on unmanufactured tobacco has increased from Rs. 1.74 crores at the end of June, 1957 to Rs. 1.84 crores at the end of June, 1958. Further, the percentage of arrears to total revenue in the various Collectorates ranges from 1 to 27% that in Delhi being the highest. They cannot, therefore, help concluding that the steps taken so far with regard to clearance of arrears have not been effective enough. They, therefore, recommend that the C.B.R. should study the problem carefully and initiate more energetic steps to reduce the arrears of revenue.

A statistical study of the incidence of duty on different varieties of tobacco has been undertaken. As desired by the Estimates Committee the entire matter is being reviewed. The finalisation of the study will, however, take some time.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59-CXI, dated the 24th September, 1959.]

The Board is already aware of the problem and various measures to liquidate the arrears of duty on unmanufactured tobacco had been adopted from time to time. The recommendation has, however, been noted and more energetic steps are being initiated to reduce the arrears in all the Collectorates in general and in Delhi Collectorate in particular.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59-CXI dated the 10th November, 1959.]

75. The Committee consider it essential that all refund applications should be disposed of within a year and towards that end all steps must be taken.

81. The Committee are surprised that it has not so far been found possible to evolve a simpler procedure for speedy disposal of refund claims, and suggest that the matter be examined speedily.

82. The Committee suggest that in order to quicken the pace of payment of refund claims the feasibility of paying them through Scheduled Banks subject to an indemnity bond being furnished by the Banks concerned without waiting for the verification of the credits may be considered.

It has been desired that :—

(1) facility of exports of Vanaspathi should be allowed in bond for the purpose of Vegetable Product with rebate of excise duty on the Vegetable non-essential oil contents,

(2) the facility for export in bond of Toilet products so far as soap excise duty is concerned with the concession of combined drawback of customs and Central Excise

The latest data reveal that marked progress has been achieved in the disposal of refund claims on the Central Excise side inasmuch as there were only 2,657 cases at the end of May, 1959, as compared with 5,128 cases pending at the end of 1957-58. Nevertheless the Collectors of Central Excise have been asked to keep the position under constant watch and to pay personal attention to refund cases which are not disposed of within one month. The question regarding simplification of procedure and acceptance of indemnity bonds from the Scheduled Banks is already under examination in collaboration with the Comptroller and Auditor General of India and the Economic Affairs Department.

[Ministry of Finance (Deptt. of Revenue) O. M. No. 3/60/59 dated the 24th September, 1959.]

The Government accept the recommendation. Necessary action has since been taken under *Notifications Central Excises Nos. 47, 48 and 49 of 1959, with the issue of which the point at (1) has already been met. As regards the point (2), Customs and Central Excise Drawback (Toilet Products) Rules, 1958, have been amended vide Notification No. 60/59-Customs and Central Excise dated the 5th September, 1959*. With reference to the point at (3) arrangements have also been made enabling

duties on duty-paid material, used in the manufacture of soap should also be allowed, and

- (3) the difficulties in the matter of obtaining combined drawback of customs and excise duties in respect of tin containers used for Vegetable Product exports may be removed.

exporters to obtain the combined drawback of customs and excise duties in respect of tin containers used for exports of Vegetable Product and the rebate of excise duties on Vegetable Product and its vegetable non-essential oil content under one and the same procedure.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59 dated the 24th September, 1959].

42 86

The Committee consider it unfortunate that the Department is quite complacent about the time ranging from three to six months, being taken to dispose of the appeals. They recommend that steps may be taken to dispose of all the pending appeals quickly and also to ensure that future appeals are disposed of within reasonable time. They further suggest that the position of appeals received, disposed of by and pending with, Collectors may be reviewed and similar steps taken to step up the pace of their disposal.

28 of Appendix V of 49th Report, 1959

The Committee recommend that suitable steps might be taken to expedite disposal of appeals and revision cases and to clear the outstanding cases quickly.

Both the recommendations are accepted. Suitable steps have been taken for expeditious disposal of appeals and revision petitions. Some of these steps are :—

(a) Time allowed to Collectors to send their reports and records has been curtailed from six weeks to four weeks.

(b) Instead of waiting for a reply from the appellant, reports from Collectors are being called for simultaneously with the issue of letters to parties for removal of defects in their appeals or revision applications.

- (c) Reminders are being issued at shorter intervals.
- (d) Methods involving duplication of work have been eliminated.
- (e) The procedure of dealing with an appeal/revision petition has been simplified.

2. The review suggested by the Committee in regard to appeals disposed of and pending with Collectors has also been undertaken. The Board has been keeping a watch on their disposal. The Collectors have been asked to take further measures on the lines indicated above so that the disposal of appeals by them also could be expedited.

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[*Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59-CXI dated the 24th September, 1959*].

The recommendation of the Estimates Committee is accepted.

[*Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59-CXI dated the 24th September, 1959*].

The Committee consider that it is a fundamental principle of justice that while justice is done it should also seem to have been done and the practice of delivering judgements without stating the grounds thereof violates that principle and smacks of arbitrariness. They, therefore, feel that it is desirable that every order disposing of an appeal should state the reasons leading to the conclusion contained therein in order to convince the affected parties of the reasonableness of the conclu-

sion and also to enable the intention and meaning of the law to be made better known to the people. The Committee suggest that suitable instructions may be issued to all appellate authorities in this regard.

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The Committee feel that piecemeal changes in rules etc. should as far as possible be avoided. They suggest that the law may be reviewed from time to time and brought up-to-date after making necessary changes in the light of the difficulties experienced in the administration of law and of the requirements of new excises codifying it wherever necessary.

We accept in principle the Estimates Committee's recommendation. Henceforward all amendments which are purely formal or clarificatory in character would be grouped together and issued quarterly and only those substantive amendments involving implementation of revisions in policy affecting rates of duty or major procedures, that cannot be so delayed without detriment to the interests of revenue or the efficient administration, continued to be issued as and when necessity arises.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59 dated the 24th September, 1959].

47 & 48

96 & 98

As statistics have an important place in modern administration as an aid in the formulation of policies, the Committee suggest that early steps may be taken to ensure that the statistics furnished by the field formations in the Excise Department are complete and accurate. For this purpose, they feel that it would be necessary not only to issue instruc-

We accept the Estimates Committee's recommendations and necessary instructions for timely submission of accurate and complete statistical data and prompt publication of the statistics will be issued to all concerned.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59 dated the 24th September, 1959].

tions advising the field staff how to collect the statistics from the basic data but it would also be necessary to check how it is being done by periodical inspections and impart them necessary training.

The Committee understand that there is delay in printing and publication of statistical publications. They feel that if these publications are to be useful they ought to be published in time. They, therefore, recommend that Government might take suitable measures to avoid the delay in their publication.

§1-52

102 & 103

The Central Excise Department contributing as it does over Rs. 300 crores annually to the revenues of Government holds a key position in the organisation of Government. The Committee doubt, however, whether the Department is organised well enough to suit its new position. Its organisation and procedures were designed at a time when excise was comparatively a minor source of revenue and the number of duties it had to administer were few and simple. As new duties were levied and complexities were introduced into the administration, adjustments and amendments of the existing system were carried out. They feel that these changes have been more a patch work than any attempt at an integrated system.

The Government of India have accepted in principle the recommendations of the Estimates Committee for the appointment of a Central Excise Re-organisation Committee to make a comprehensive examination of the organisation and working of the Department. The actual constitution of the Committee and its terms of reference etc. are under consideration.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3 (21) 59-A.D. IV dated the 2nd December, 1959].

The Committee feel that the Department has grown up in a haphazard way employing more men than are really necessary, and following archaic and cumbersome procedures. The Committee, therefore, consider that the time is ripe to cut all dead wood, reduce the Department to proper proportions, introduce simple and modern system of procedure and make it an efficient instrument of tax collection at minimum cost and with maximum of efficiency, affording at the same time all conveniences to tax-payers. They recommend that the appointment of a Central Excise Reorganisation Committee to make a comprehensive examination of the organisation and working of the Central Excise Department, on the lines of the Badhwar Committee in the case of Customs and the Tyagi Committee in the case of direct taxes may be considered urgently.

CHAPTER III

REPLIES OF THE GOVERNMENT THAT HAVE BEEN ACCEPTED BY THE COMMITTEE

S. No.	Reference to paras No. of the Report.	Summary of Recommendations/Conclusions	Reply of the Government
1	2	3	4
5	14	The Committee welcome the M.O.R. Scheme, in so far as it tends to reduce the cost of administration in areas where revenue yield is low. They, however, doubt whether it is essential to deploy the entire staff withdrawn from the areas where tobacco is grown sparsely in areas where it is grown on large scale, which were managed with lesser staff before the introduction of the M.O.R. Scheme. They also doubt, whether the increase in revenue due to the deployment of more staff in such areas would be proportionate to or even commensurate with the increase in expenditure. They, therefore, recommend that the requirements of staff in the various tobacco	

growing areas may be carefully assessed by adoption of suitable work study methods and the possibility of reducing the staff considered.

6 The Committee understand that the M.O.R. Scheme has been extended to other manufactured commodities. They cannot help feeling some doubt how far a Scheme envisaged for the administration of duty on an unmanufactured product would suit the administration of duties on manufactured products. They fear that the net effect of extending the M.O.R. Scheme to all the duties might be ultimately to enlarge the staff employed in the Ranges and to increase the expenditure thereon. They therefore, recommend that the working of the M.O.R. Scheme may be urgently reviewed with particular reference to its suitability for manufactured products and also its effect on the cost of administration of the Department.

7 The Committee suggest that certain points regarding the M.O.R. Scheme listed in para 16 may be examined and suitable steps taken to remedy the defects, if any.

32 The Committee were informed by the Ministry that the cost of Collection of Excise duty has been falling. They do not, however, notice

The criticism levelled by the Committee is perhaps based on an inadequate appreciation of the actual working of the M.O.R. Scheme. In fact, the scheme not only seeks to ensure elimination of unproductive work but also provides for better and more proper utilisation of staff according to the nature and importance of work. The staffing re-adjustments effected as a result of the M.O.R. Scheme have also made it possible to meet the need for additional staff for various new items of work and has considerably brought down the cost of collection as well. We are also taking action to have a thorough review of the actual work-load in the primary formations so as to further eliminate wastages, and to determine the suitability or otherwise of the extension of the Scheme to manufactured products. The entire matter will again be looked into by the Central Excise Reorganisation Committee which is proposed to be set up in the near future.

[Ministry of Finance (Dep'tt. of Revenue) O.M. No. 8 (43) 59-AD.IV dated the 26th December, 1959].

any substantial improvement in this respect. They feel that though there appears to be a fall in the percentage cost of collection to total revenue it is largely due to the increase in cost of revenue on account of increased rates of duty. In fact, the actual cost of collection had risen upto 1958-59 by over Rs. 1·50 crores since 1956-57. Though a part of the increase might be due to the introduction of new excise duties, they are not convinced that the expenditure which is being incurred is wholly essential and unavoidable. They recommend that the scope for reducing the cost of collection of Central Excises needs to be constantly explored.

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The Committee feel that the existence of a large number of grades tends to make the administration of the Department unnecessarily complex creating problems of seniority, promotion etc., resulting in disappointment and discontent among the employees. Much of the time and energy of the Senior Officers of the Department would be taken up by these problems diverting them from the more important problems relating to tax collection. They consider that the number of grades of employees in the Central Excise Department should be reduced. They feel that even if there is need to have different categories of employees for dealing with different kinds of work they may be classified in a few standard groups carrying uniform scales of pay with common seniority for purpose of promotion

17

We have since addressed the Collectors calling for specific proposals for implementing the recommendation of the Estimates Committee to the extent possible—*vide* our letter No. 3 (26) 59-Ad. IV dated the 2nd July, 1959. Further action will be taken on receipt of the replies from the Collectors. It is also possible that the Pay Commission might also make some recommendations in the matter.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 8(43) 59-AD. IV dated the 8th October, 1959].

etc. They recommend that suitable steps may be taken in this direction at an early date.

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The Committee fails to see why the procedure in the matter of appointment of Advisory Committees in the Central Excise Department should differ with that of Customs Department, and why the trade associations should not be allowed to nominate their representatives to the Central Excise Committees also directly.

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The Committee do not see why the meetings of the Advisory Committees should not be held occasionally in different mofussil areas to suit the convenience of Members of these areas.

As against Customs, Associations/Chambers of Commerce etc. on the Central Excise side are too many. It is, therefore, not possible to arrange a meeting of all of them and neither it is advisable to entrust the work of ascertaining the views of different Associations to one Association. There is also little likelihood of all of them agreeing to select a common representative (s). In view of the practical difficulties, instructions have been issued to all Collectors that all trade Associations/Chambers of Commerce etc. should be asked to send their nominations (by a specified date) to the Collector who will treat it as a panel and will recommend from out of the panel a suitable name by rotation.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59-CXI dated the 24th September, 1959].

Instructions are already there that besides the Collectorate Headquarters meetings of the Advisory Committees may be held at important trade centres and a provision for payment of

travelling allowance to the Members has also been made.

[*Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59-CX1 dated the 24th September, 1959*].

21

36(iii) The Committee feel that in order to free the growers and curers from any possible hold of wholesale dealers it might be desirable to organise public bonded warehouses in those areas where tobacco is grown on large scale. As the Central Excise Department is much interested in tobacco, the Committee suggest that that Department might take up the question of setting up such warehouses with the Department of Agriculture and the Central Warehousing Corporation. The Department might also encourage formation of Co-operative Societies of tobacco growers to construct and run the warehouses required by them.

19

It is understood from the Ministry of Agriculture that in order to include tobacco in the Agricultural Produce (Development and Warehousing) Corporation Act, 1956, necessary steps are already being taken to complete all formalities. From the Central Excise point of view there is no objection to the inclusion of tobacco in this Act, so long as the provisions of the said Act do not conflict with those of the Central Excises and Salt Act, 1944; and the Rules framed thereunder.

In the field of encouraging the formation of Co-operative Societies for the storage and distribution of tobacco there is not much that the Central Excise Department could directly do, as the subject falls within the purview of the State Govts. vide Item 32, List II, Seventh Schedule to the Constitution. Instructions have, however, been issued to all Collectors of Central Excise that the Departmental Officers should deal with applications for warehouses from such Societies sympathetically and also make known our sympathies to the tobacco growers by issuing suitable circulars.

10

[*Ministry of Finance (Deptt. of Revenue) O. M. No. 3/60/59 dated the 24th September, 1959*].

22

38-41 While the Committee recognise the need for taking reasonable precautions to safeguard revenue, they are not satisfied that it is essential to maintain large establishments to exercise close physical supervision over various stages of production. They feel that trust and confidence are essential ingredients of public administration in a democracy and that it is necessary as much in revenue administration as anywhere else. They suggest that the Department should initiate such steps as would promote that spirit among the paying public. They recommend that a beginning may be made at an early date to evolve what the Department itself consider to be right lines of control, that is, to introduce audit type of checks in place of existing physical control over production of excisable articles.

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The Committee suggest that the basis on which the sizes of match boxes have been prescribed at present may be reviewed in the light of representations referred to in para 54 of the Report and action taken to ensure that the interests of the cottage and handicraft match industry do not suffer.

As there are divergent points of view on this question and there are also some practical considerations which cannot be ignored, a detailed study is necessary. It is proposed to refer this question to the "Central Excise Reorganisation Committee" which is expected to be formed at an early date.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59-CXI dated the 10th November, 1959].

Actually the whole question is already under consideration of the Govt. and it is proposed to review the question of standardizing the sizes of match boxes simultaneously with the conversion into the Metric System in the Central Excise tariff as that would provide the most suitable opportunity for the purpose. In the meantime, the trend of production of different sizes of match boxes is being watched.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59 dated the 24th September, 1959].

56-57 The Committee understand that the basis and the rates at which sales tax on matches is levied vary from State to State. They suggest that the matter may be examined in consultation with the Department of Economic Affairs.

The matter was referred to the Department of Economic Affairs, who have stated that the States are not favourably disposed towards the suggestion and have advised that we should not hasten action in this sphere. However, a high powered Committee under the Chairmanship of Chief Minister, West Bengal has been appointed to examine the whole scheme further and submit report to the Central Government by end of November, 1959.

[*Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59 dated the 24th September, 1959*].

73 The Committee consider it surprising that information such as the total amount of arrears of revenue from Central Excise, indicating the periods to which they related and the reasons therefor, should not be readily available with the C.B.R. They wonder how in the absence of such information the C.B.R. exercises control over the collection of arrears which should be one of its important responsibilities. They recommend that the C.B.R. should take immediate steps to ensure that such information is called for periodically and have analysed in its office.

In this case, the latest complete information for the year 1958-59 could not be supplied in time to the Estimates Committee for want of receipt of reply from one of the Collectors of Central Excise.

2. A major proportion of the arrears of revenue on the Central Excise side is in respect of tobacco. Arrangements already exist for receipt of monthly statements on tobacco arrears and their inclusion in the Monthly Statistical Bulletin issued by the S. & I. Branch. Monthly reviews of arrears position are also prepared; these reviews are thoroughly examined and necessary action taken, where necessary.

3. Arrears of excise duty in respect of manufactured products, however, form only a very minor percentage of the whole, since clearances are usually duty-paid and arrears accumulate only in such

cases as (i) pending of appeals with the Collectors/Central Board of Revenue, (ii) cases being sub-judice in courts of law and (iii) non-production of proof of export. However, the existing forms of monthly returns are being suitably amended to include such arrears as well.

[*Ministry of Finance (Deptt. of Revenue) O.M. No. 3-60-59 dated the 24th September, 1959*].

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The Committee also suggest that the feasibility of the Central Excise Department Officers taking over the Treasury functions in so far as Central Excise Collections and refunds are concerned may also be considered.

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At present the bulk of the Central Excise duties is realised from the grower/manufacturers in the form of cash paid into the revenue treasuries or the branches of the State Bank of India, where there are no receiving treasuries. Besides this, we have also authorised adjustments of duty, through Accounts Current in respect of the bigger units, whose transactions are fairly heavy and numerous. There are also certain other special facilities available for payment of small amounts by the licensees such as T.R. 5 procedure for cash payments and the Special Money order system of remittance.

2. This system has no doubt certain inherent disadvantages. But this is unavoidable to some extent since it is neither possible nor desirable to entrust the task of cash collection directly to the Central Excise assessment staff. Such a course would provide scope for misappropriation.

It might also encourage assesses to claim that the dues have already handed over to the Central Excise staff while the latter may deny receipt. Further, since collections will have often to be made from the interior villages also, our staff cannot take up the collection work directly unless they are also provided with adequate security protection for the safe custody of moneys pending its eventual deposit in the nearest treasury. A fundamental change in the present system of collection would not, therefore, be advisable.

3. Another alternative will be the opening of Departmental Treasuries at the more important places. In fact, we have such a departmental treasury at Bombay and we are thinking in terms of having our own departmental treasuries at least at the Headquarters of some of the important Collectorates. But this by itself will not result in any serious solution to the problem, since such treasuries will help only the assesses in and round the major cities, who can even otherwise deposit the money either in the Revenue Treasury or at the Reserve Bank of India etc. The opening of more Departmental Treasuries in the more important centres will also be a somewhat costly proposition and it would amount at least to some extent to a duplication in as much as such revenue treasuries exist already at almost all important places such as Divisional and Circle Headquarters and taluk Headquarters. In such of the few places where revenue treasuries

do not exist, facilities exist for payment at the Pay Offices of the State Bank of India. Any large scale opening of departmental treasuries would be an uneconomic proposition.

4. We have always been endeavouring to provide the maximum facilities for the trading public and with a view to minimising inconvenience to them we have even authorised some of the private Banks to receive payments of Central Excise duties on behalf of the Central Government on execution of a bond in proper form with sufficient security. We are also examining the feasibility of introducing cheque payments as also of collecting petty amounts of excise duty upto Rs. 100/- in each case through Central Excise Revenue Stamps which the assessee themselves will procure at periodical intervals according to their requirements, through the post offices. The latter scheme is merely an extension of the already existing procedure of collecting Central Excise license fees through Central Excise revenue stamps. The main advantage of the system is that, it will, to a great extent help in removing suspicion in the mind of the assessee who in the case of tobacco are mostly illiterate, about the correctness of the assessment. It is also hoped that the scheme when introduced will considerably relieve some of the irritation which

the present system of collecting the Central Excise duty gives rise to. Apart from these facilities, it is considered that it is neither practicable nor advisable to entrust the collection work directly to the departmental officers.

[Ministry of Finance (Deptt. of Revenue) O.M.
No. 8(43) 59-AD IV dated the 8th October, 1959].

CHAPTER IV

REPLIES OF THE GOVERNMENT THAT HAVE NOT BEEN FINALLY ACCEPTED BY THE COMMITTEE

S. No. of the recommendation	Ref. to para No. in the Report	Summary of Recommendation	Reply of Government	Comments of the Committee
I	2	3	4	5
4	II	The Committee observe that the staff employed in the different Collectorates varies widely and is also not proportionate to the number of Ranges comprising them. They understand that the Directorate of Inspection had recently undertaken a major job analysis for evaluating the clerical work load in each Circle Office and Divisional Office and also in respect of field work and executive jobs, required to be done in the	It has to be recognised that the work load analysis study is a complex matter and the data collected will have to be sifted and examined thoroughly before a final decision is reached. This is bound to take some time. However a special watch is being kept of the progress made by the Directorate. [Ministry of Finance (Deptt. of Revenue) O.M. No. 8(43) 59-AD IV dated the 8th October, 1959].	The Committee recommend that the work load analysis undertaken by the Directorate of Inspection should be pursued rigorously in order to ensure proportionate staffing in the various Collectorates simultaneously with their re-organisation. They also suggest that this matter may be referred to the Central Excise Re-organisation Committee for advice.

basic formations. They feel that it is none too early that such analysis has been undertaken and hope that it will be completed and given effect to as early as possible.

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The Committee suggest that orders under which every Gazetted Officer in the Collectorate Head-quarters is provided with a Steno-typist and every Circle is provided with a Steno-typist and a Head Clerk may be reviewed and the desirability of withdrawing those and authorising the Collectors to sanction the posts where required on merits on each case considered.

Prior to 1956, the normal complement of ministerial staff permissible for a Central Excise Circle Office consisted of 2 UDCs (one of whom was given a special pay of Rs. 20/- per mensem for handling cash and accounts work) and 5 LDCs. The Circle Officer is essentially an executive officer and has to spend a substantial portion of his time in touring. The problem, therefore, arose of a person being in charge of the office while he remained on tour. As there was no supervisory ministerial officer to control the Circle Office and to attend to urgent work during the Circle Officer's absence, all the Collectors of Central Excise unanimously suggested that each Circle should have a supervisory ministerial officer,

The Committee suggest that this matter may be referred to the O. & M. Division or the S.R.U. for advice.

1	2	3	4	5
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who in addition to discharging his duties as a senior U.D.C. could hold direct charge of the office and maintain routine discipline therein particularly during the Circle Officer's frequent absences from his Headquarters on tour.

2. Accordingly with the concurrence of the B.F.C. it was decided to provide a Head Clerk for each Circle Office. While accepting the need for a Head Clerk, it was, however, ensured that there was no appreciable additional expenditure on this account and consequently the post of Head Clerk was found by upgrading the post of U.D.C. carrying the special pay of Rs. 20/- p.m. This arrangement is working well and there would therefore, appear to be hardly any justification for withdrawing this post.

3. A steno-typist is allotted to each Circle Officer primarily with a view to enabling that officer to dispose of a substantial volume of primary work direct thereby obviating unnecessary noting in the office and avoiding delays in the disposal of cases. Further as the Circle Officer is a touring officer, the provision of Steno-typist facilitated the despatch of inspection notes etc. as in the absence of a Steno-typist the officers will have to write down their orders or notes before getting them typed by the office. The steno-typist is also required to do some normal typing as well as some confidential clerical work. It may further be pointed out that this post was not a net addition to the total sanctioned strength of L.D.Cs. but was found purely by up-grading one of the existing posts of L.D.Cs. through the grant of a steno-typist allowance of Rs. 20/- p.m.

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4. In the circumstances explained any general withdrawal of the post of stenotypist from Circle offices would not, it is considered, be advisable. Where there is a concentration of officers entitled, under the existing system, to the services of stenotypist, in a particular city, the possibility of replacing all the stenotypists by a much smaller pool of stenographers is being examined in consultation with the Collectors and the Directorate of Inspection. With this end in view we have imposed a ban on filling up of all the existing/future vacancies in the cadre until further orders. The position will be reviewed further on receipt of the reports from the Collectors.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 8(43) 59-A.D. IV dated the 8th October, 1959].

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36 (i)

The Committee suggest that the feasibility of simplifying the records to be maintained by the growers of tobacco may be considered.

The existing accounts (E.B.-1 and E.B.-2) which are basically simple are required to be maintained by a comparatively very small number of big grower-curers (no accounts need be maintained by the small growers-curers) and are useful as a check. These are printed bilingually to facilitate easy maintenance and the field officers have standing instructions to render all possible help to cultivators in this regard. The Collectors have been asked to emphasise once again that such assistance and guidance should always be given wherever and whenever required.

This matter may be referred to the Central Excise Reorganisation Committee.

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36 (ii)

While the Department is entitled to take adequate steps to safeguard revenue they should not in that process cause loss

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59-CXI dated the 24th September, 1959].

Weightment of tobacco at different stages till duty is paid cannot altogether be eliminated because for proper

The object of the Committee in suggesting a fixed allowance for losses cannot be achieved by moderating the rate of

or damage to the tax payers. They, therefore, suggest that the scope for simplification of procedure requiring the weighing of tobacco be examined. They also suggest that in order to avoid weighing of tobacco at different stages the feasibility of working out on a scientific basis an average ratio or percentage of losses that is likely to obtain in storage depending on weather conditions may be considered.

assessment weightment is absolutely necessary, the duty on tobacco being charged on weight. However, instructions have already been issued that measurement of tobacco plots and weightment of cured produce should be done in such a manner as not to damage the seedlings and the cured produce. Instructions have also been issued that 100 per cent weightment may be dispensed with where a reasonably reliable alternative method of arriving at the correct weight can be followed *e.g.* by using the volumetric methods of computation.

As regards determination of losses occurring during storage, the position is that while schedules of losses prepared on the basis of experiments exist for the guidance of officers, it is not

duty. The suggestion may be referred to the Central Excise Reorganisation Committee.

possible to fix average ratio or percentage of losses in tobacco during storage because such losses differ from consignment to consignment depending on period of storage, variety of tobacco, climatic conditions of a region/place and mode of packing and storage. Any fixed allowance for loss would also be inconsistent with the basic principle that the quantity actually produced is liable to excise duty but that duty is normally collected only on the quantities actually going into consumption, i.e. after making allowance for only *genuine losses* in the process of storage and transit. If a flat rate of loss was to be allowed, the objective can be better achieved by moderating the rate of duty itself.

[*Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59 dated the 24th September, 1959*].

This may be referred to the Central Excise Reorganisation Committee.

The advantage of the allowance regarding shrinkage of cloth in the course of processing is available to processing factories inasmuch as they are free to receive non-duty paid fabrics in bond in which case the amount of Central Excise duty payable by them will be only on the shrunk cloth. Also, in order to give benefit particularly to the smaller processing factories which process duty paid fabrics, relief has been granted by exempting the first 50,000 square yards of such fabrics cleared by them in a month for home consumption. In view of these concessions any further action on the lines suggested by the Committee seems uncalled for.

It was represented to the Committee that the Administration of the Excise duty on cloth had placed manufacturers producing grey cloth exclusively and independent processing works at a disadvantage as compared to composite mills. The Committee suggest that in view of the above feeling among the manufacturers of grey cloth and among the independent processing units, their position *vis-a-vis* the composite mills may be carefully reviewed in consultation with the representatives of the industry to remove to the extent possible, the grounds for hardships, if any.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59-CXI dated the 24th September, 1959].

30 The Committee understand that the procedure followed by the Department for determining the value of the cigarettes for purposes of excise duty by reference to the ruling market price has been objected to. The Committee suggest that the feasibility of working out standard rates of discount that may be allowed on the prices may be considered so that the rate of duty chargeable may be determined reasonably and definitely instead of its being left always vague and indefinite.

60 The rates of discount varying from manufacturer to manufacturer, from brand to brand, it is not practicable to fix any standard rate of discount as recommended by the Committee. No useful comments on the Calcutta case referred to in the Committee's report can be offered at this stage, since the matter is *sub judice*. The matter can be examined afresh after the High Court's judgment in this particular case becomes available to Government.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59-CXI dated the 24th September, 1959].

31 The Committee suggest that the cost of collection of tobacco, coffee, tea and all other excises may be computed separately and compared with the cost of collection of similar duties elsewhere.

62 This is covered by the Government's reply to paras 14, 15, 16 and 64 of the Estimates Committee's Report forwarded with this Ministry's letter No. 8(43)-59-AD.IV dated 26-12-1959.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 12(11) 59-AD. IV-A dated the 11th March, 1960].

The suggestion made by the Committee may be referred to the Central Excise Reorganisation Committee, if necessary, after the High Court judgment in the Calcutta case is available.

The Committee fail to understand how the reply of Government to paras 14, 15, 16, 64 which mainly relate to the M.O.R. Scheme, also cover the recommendation in para 62 regarding cost of collection of excise duties. They suggest that this recommendation may be reconsidered by Government for necessary action.

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The Committee feel that in order to make the Excise Law available to the public ready at hand whenever they require it would be desirable if all the rules, regulations, notifications etc. issued from time to time are collected together and published in a consolidated form periodically by means of monthly or quarterly bulletins. They suggest that the feasibility of issuing such bulletins similar to the Departmental bulletins which are already being issued may be considered.

94. The Committee also suggest that important notifications might be published in the local newspapers so that they may receive publicity among larger sections of people.

[24 of Appx. 62 of
V of 49th 49th
Report Report

The Committee suggest that the C.B.R. might bring out monthly or quarterly bulletins embodying various rules,

Government is already alive to the need for wide publicity to its decisions issued in the form of rules, regulations, notifications, instructions etc. Accordingly, steps are being taken not only to ensure publication of (1) Central Excise Manual at regular intervals; (2) Annual Reviews of Central Excise Administration; and (3) Handbooks for the guidance of the public but also to encourage conferences between departmental officers and the trade and of Regional Advisory Committees. Besides, in order to keep the public abreast of the latest decisions, publicity is also given to impart decisions by pasting them on the notice boards in the Circle and Range Offices and supplying copies thereof to trade Associations and Chambers of Commerce. Having regard to the steps already taken and the relatively low educational stan-

The Committee while accepting the reply of Government also suggest that a provision may be made whereby persons who had to pay excise duty regularly could get copies of the rules, notifications, clarity orders etc. on payment of nominal fee.

regulations, notifications, interpretations and instructions issued during a period for the use of the public and these rules and orders might further be consolidated annually by bringing out revised editions of the Manuals.]

dard of a vast majority of Central Excise licencees as well as the cost and other difficulties involved, it is considered as yet too early to publish such bulletins. As regards publication of important notifications in the local newspapers, the purpose in view is already being achieved by the issue of Press Notes wherever the matter dealt with in such a notification is of sufficient importance to warrant such a course.

[Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59-CXI dated the 24th September, 1959.]

[Please also see Footnote.]

49	98—99	The Committee notice that the Annual Review of the working	Necessary measures to ensure timely and prompt publication	The annual reports might contain statements of production
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Further information received at the stage of factual verification of the Report :—

“Copies of Central Excise Act and Rules and the Central Excise Notifications are available to the general public in the form of Central Excise Manual and Gazettes of India [Ordinary & Extraordinary—Part II—Section 3—sub-section (i)] from the Manager of Publications, Civil Lines, Delhi. The Central Excise licencees can obtain these direct from the Manager on payment of prescribed fee. Supply of these on payment of nominal fee by the Central Excise Department will lead to considerable administrative difficulties and is not thus possible. It may, however, be stated that copies of Central Excise Notifications are already supplied free of cost to recognised Associations and Chambers of Commerce by this Ministry direct.

Government is, however, already alive to the need for wide publicity being given to its decisions issued in the form of rules, regulations, notifications, instructions etc. In order to keep the public abreast of the latest decisions, publicity is given to important decisions by pasting them on the notice boards in the Circle and Range Offices and supplying copies thereof to trade Associations and Chambers of Commerce.” (Ministry of Finance—Department of Revenue letter No. 8/43/59-Adm. IV, dated the 16th April, 1960.)

of Department was published irregularly. They wonder if the Reviews published so irregularly serve any useful purpose. They suggest that measures should be taken to publish Annual Reviews of the Excise Department more promptly in future. In this connection, they also suggest that the feasibility of publishing the review along with the Annual Report of the Department together with an economic analysis of the information contained therein may also be considered.

of the Annual Reviews are being taken. The question regarding publication of the Annual Report together with an economic analysis has been examined in collaboration with the Department of Economic Affairs. The Estimates Committee probably wish to find out to what extent the production and consumption trends in various excisable commodities were affected by the excise duties and affected in turn the income from these duties. This requires highly specialised studies which cannot be done annually. It is better done after an interval of three or four years. It is indeed risky for any one to comment on economic trends in terms of excise yields or on excise yields in terms of the year's figures of production and consumption. Under the circumstances it is felt that it would not be proper to

and consumption trends in the excisable commodities. It might not be necessary to relate them to the excise duty collected every year but it would have to be done periodically, say, once in four years or so.

try to present in these reviews of Central Excise Administration any interpretative comments bearing on general economic developments and their repercussions on different aspects of economy. [Ministry of Finance (Deptt. of Revenue) O.M. No. 3/60/59, dated the 24th September, 1959.]

The Committee were informed that the headquarters of the Western Regional Unit was located at Hyderabad for want of suitable office accommodation at Bombay. They feel that the purpose of the regionalisation of the Directorate of Inspection could best be served by locating the headquarters of a regional unit at a convenient point within its jurisdiction. They, therefore, suggest that the possibility of shifting the headquarters of the Western Regional Unit to Baroda, Poona or Nasik may be considered.

The Committee had recommended that the possibility of shifting the headquarters of the Western regional units to Baroda, Poona or Nasik might be considered. It was not the intention of the Committee that it should be located in Bombay. They do not favour the present proposal to locate it at Bombay as it is likely to add to the congestion in the already overcrowded city.

The recommendation of the Committee has been accepted by us and we have addressed the Directorate of Inspection (C&CE) to furnish us with a report in the matter urgently. He has since reported that Bombay is the most central place and office accommodation will be available there in one of the buildings proposed to be retained for accommodating the Central Excise Offices in Bombay after most of the Central Excise Offices have been accommodated in the new Departmental building. It is understood that it will take about 4 months more for the new building to be ready for occupation and consequently the West Regional Unit can

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shift to Bombay only some
time towards the end of this
year.

[*Ministry of Finance (Deptt. of
Revenue) No. 8 (43) 59-AD.
IV, dated the 8th October,
1959.*]

[*Please also see Footnote.*]

CHAPTER V

RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT HAVE NOT BEEN RECEIVED

Serial No.	Para No.	Conclusions/Recommendations
33	65	The Committee observe that the cost of collection between different Collectorates varied from 0.9% to 7% in 1955-56, from 0.9% to 7.5% in 1956-57 and from .9% to 3.7% in 1957-58. They realise that the cost of collection was dependent on factors such as the nature of excise commodity and the revenue potential thereof in each Collectorate. Nevertheless, they doubt whether these reasons would justify such wide variations as from 0.9% to 7.6% between the different Collectorates. They feel that the anomalies in the organisation of the Collectorates referred to in paras 7—9 and 11 above might also be partly responsible for the variations in the cost of collection. They hope that the re-organisation of the Collectorates suggested earlier would help in making the cost of administration uniform and also in reducing it.
34	67-68	The Committee understand that as there was no arrangement to work out the cost of collection of the various duties commodity-wise, it was fixed <i>ad hoc</i> as a percentage of the revenue realized therefrom. They consider such an <i>ad hoc</i> procedure as hardly satisfactory since the cost of collection admittedly varies from commodity to commodity and area to area of collection. They feel that commodity-wise costs of collection of various duties would be necessary to determine the economies of their levy. They therefore recommend that steps be taken to introduce a simple system of costing in consultation with the Cost Accounts Branch of the Department of Expenditure to facilitate working commodity-wise costs of collection of various duties.

New Delhi-1;
The 18th April, 1960.
The 29th Chaitra, 1881 (Saka).

H. C. DASAPPA,
Chairman,
Estimates Committee.

APPENDIX I

(Vidz S. No. 38 in Chapter II)

To be published in Part II, Sub-section (1) of Section 3, of the Gazette of India dated the 2nd May, 1959, 12th Vaisakh/1881/Saka)

GOVERNMENT OF INDIA

MINISTRY OF FINANCE (DEPARTMENT OF REVENUE)

New Delhi, the 2nd May, 1959

12th Vaisakh, 1881

NOTIFICATION

Central Excises.

No. 47/59—In pursuance of rule 12 of the Central Excise Rules, 1944, as in force in India and as applied to the State of Pondicherry, the Central Government hereby rescinds the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 14/58-Central Excises, dated the 1st February, 1958.

Sd/-S. K. BHATTACHARJEE,

Deputy Secretary to the Government of India.

No. 47/57/F.No.14/56/58-CX.IV.

The Collector of Central Excise, Delhi/Allahabad/Patna/Shillong/Calcutta/Hyderabad/Nagpur/Baroda/Bombay/Madras/Bangalore.

The Collector of Customs and Central Excise, Pondicherry.

The Deputy Commissioner, Andaman and Nicobar Islands, Port Blair.

All Collectors of Customs.

The Directorate of Inspection (Customs & Central Excise), New Delhi (with 16 spare copies including 2 for the Bulletin.)

The Ministry of Commerce and Industry/External Affairs/Law/Food and Agriculture.

The Deputy Collector-in-Charge, Statistics and Intelligence Branch, (Central Excises), New Delhi.

The Director-General of Commercial Intelligence and Statistics, for publication in the India Trade Journal.

The Editor, Commercial Publications, the Ministry of Commerce and Industry, New Delhi.

The Secretary, Indian Central Tobacco Committee, Victoria Crescent Road, Egmore, Madras.

The Chief Chemist, Central Revenue, Control Laboratory.

Prime Minister's Secretariat.

O.S.D. (Shri W. Saldanha) C/o the Collector of Central Excise,
Delhi.

U.S. (CX Shri Saxena)/U.S. (CX Shri Durairaj).

I.O. (Shri Sahai)/I.O. (Shri Mehta)/I.O. (Shri Pathak)/ I.O. (Shri
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CX. I Branch (with 10 spare copies)/CX.II Branch (10 spare copies)/
CX.III Branch (with 10 spare copies)/CX.IV (5 copies) Cus. IV (5 copies).

Central Board of Revenue Library (10 spare copies).

Copy also forwarded to :—

- (1) Shri P. H. Bhatt, Senior Marketing Development Officer
Fruit Products, Directorate of Marketing and Inspection
Ministry of Food & Agriculture, Nagpur.
- (2) Shri V. M. Shrikumaran Nayar, Export Promotion Directorate,
Ministry of Commerce and Industry, New Delhi.
- (3) Ministry of Steel, Mines & Fuel (Department of Iron and
Steel) (9 copies).

Associated Chamber of Commerce, Royal Exchange, Calcutta (3
copies).

Federation of Indian Chambers of C. & I., New Delhi (3 copies).

Sd/- J. N. SAXENA,

Under Secretary to the Government of India.

To be published in Part II, Section 3, Sub-section (i) of the Gazette of India dated the 2nd May, 1959/the 12th Vaisakh, 1881 S.E.

NOTIFICATION

Central Excises

No. 48/59—In pursuance of rules 12 and 12A of the Central Excise Rules, 1944, the Central Government hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Revenue Division) No. 10—Central Excise, dated the 5th April, 1949, namely—

In the table annexed to the said notification—

- (a) in the entries in column 2 against serial No. 1, the item "Vegetable Product" shall be omitted ; and
- (b) after serial No. 11 and the entries relating thereto, the following shall be inserted, namely—

1	2	3	4	5
12	Vegetable Product	—do—	The whole of the excise duty paid on Vegetable Product plus the excise duty at the rate of Rs. 105·60 per ton of such Vegetable Product in respect of the Vegetable non-essential Oils other than Cottonseed Oil used in the manufacture thereof.	Provided that— (a) the exporter other than manufacturer is specifically approved by the Collector and executes an indemnity bond in Form 'A' or Form 'B' appended hereto, with such surety or sufficient security as the Collector approves, in a sum equal at least to the amount of rebate claimed in respect of vegetable non-essential oils used in the manufacture of vegetable product exported, agreeing to indemnify Government in regard to any claim by the manufacturer

1	2	3	4	5
				for refund in whole or in part, of the excise duty paid by him on such vegetable non-essential oils in respect of which rebate of duty may have been granted to such exporter; (b) the exporter, whether he is manufacturer or not, declares to the proper officer the formula of manufacture showing the percentage by weight of cottonseed oil and other vegetable non-essential oils to be used in the manufacture of the Vegetable Product for export and furnishes proof that the duty thereon has been paid to the satisfaction of the proper officer.

FORM 'A'

*Bond (with security) to be executed by exporters other than manufacturers
of Vegetable Products*

KNOW ALL MEN by these presents that I/Wethe exporter(s) of vegetable product [hereinafter called "the obligor(s)"] am/are jointly and severally bound unto the President of India (hereinafter referred to as "the Government") in the sum of Rs.only to be paid to the Government for which payment well and truly to be made I/We jointly and severally bind myself/ourselves and my/our respective heirs and legal representatives dated thisday of

WHEREAS by a notification bearing No. 10. Central Excises, dated the 5th April, 1949, issued by the Central Government under rule 12 of the Central Excise Rules, 1944, and as amended from time to time the Central Government has directed rebate of excise duty paid on the vegetable non-essential oils, other than cotton-seed oil, used in the manufacture of vegetable product and paid on such vegetable product at the rates mentioned in the said notification on its exportation to any country or territory out of India as mentioned therein.

AND WHEREAS the obligor(s) have exported (herein enter quantity) of vegetable product and applied for rebate of duty in respect of the same and the vegetable non-essential oils used in manufacture thereof, on its exportation ;

AND WHEREAS under the said notification, the obligors are required to execute a bond agreeing to indemnify the Government in regard to any claim made against the Government by the manufacturer for refund in whole or in part of excise duty on such vegetable non-essential oils.

AND WHEREAS in pursuance of the said provision the obligors have executed the bond as aforesaid.

AND WHEREAS the obligors have deposited a sum of Rs.with the Collector of Central Excise atas security for the bond.

NOW THE CONDITION OF THE ABOVE WRITTEN obligation is that if at any time hereafter a refund of excise duty in respect of the said vegetable non-essential oils becomes payable to the manufacturers for which refund has been granted to the exporter, then the obligors shall pay to the Government the amount of rebate, if any, sanctioned and paid by the Government to the obligors and upon the obligors making such payment to the Government, the aforesaid obligation shall be void otherwise and on breach or failure in the performance of the above obligation, the same shall remain in full force and effect.

AND IT IS HEREBY AGREED AND DECLARED THAT the Government shall be at liberty to make good all the loss or damage that may be incurred by the Government from the amount of deposit made by the obligors as aforesaid and that the same will not prejudice Government's right to enforce to above written bond.

AND IT IS HEREBY DECLARED that this bond is given under the orders of the Central Government for the performance of an act in which public are interested.

IN WITNESS WHEREOF..... has/have put his/their respective hand/hands the day and the year herein above written.

Signed /and delivered by the within named obligors in the presence of

(1)

(2)

Accepted by for and on behalf of the President of India.

FORM 'B'

Bond (with surety) to be executed by exporters other than manufacturers of Vegetable Product

KNOW ALL MEN by these presents that I/We the exporter(s) of vegetable product [hereinafter called "the obligor(s)"] and I..... of (hereinafter called "the Surety") are jointly and severally bound unto the President of India (hereinafter referred to as "the Government") in the sum of Rs. only to be paid to the Government for which payment well and truly to be made we jointly and severally bind ourselves and our respective heirs and legal representatives dated thisday of195 .

WHEREAS by a notification No. 10-Central Excises, dated the 5th April, 1949, issued by the Central Government under the Central Excise Rules, 1944, and as amended from time to time, the Central Government has directed a rebate of excise duty paid on the vegetable non-essential oils, other than cotton seed oil, used in the manufacture of vegetable product and paid on such vegetable product at the rates mentioned in the said notification on its exportation to any country or territory out of India as mentioned therein.

AND WHEREAS the obligor(s) have exported (herein enter quantity) of vegetable product and applied for rebate of duty in respect of the same and the vegetable non-essential oils used in the manufacture thereof, on its exportation.

AND WHEREAS under the said notification, the obligors are required to execute a bond along with a surety agreeing to indemnify the Government in regard to any claim made against the Government by the manufacturer for refund in whole or in part of excise duty on such vegetable non-essential oils.

AND WHEREAS in pursuance of the said provision the obligor and the surety have executed the bond aforesaid.

NOW THE CONDITION OF THE ABOVE WRITTEN OBLIGATION is that if at any time hereafter, a refund of excise duty in respect of the said vegetable non-essential oils becomes payable to the manufacturer for which refund has been granted to the exporter, then the obligors and the surety shall pay to the Government the amount of rebate, if any, sanctioned and paid by the Government to the obligors and upon the obligors and/or the Surety making such payment to the Government, the aforesaid obligation shall be void otherwise and on breach or failure in the performance of the above obligation, the same shall remain in full force and effect.

AND IT IS HEREBY agreed and declared that the Surety shall not be discharged or released of his liability hereunder by any arrangement made between the Government and the obligor either with or without his consent or by any other alteration in the obligation undertaken by the obligor as to payment, time, performance or otherwise.

AND IT IS HEREBY DECLARED that this bond is given under the orders of the Central Government for the performance of an act in which public are interested.

IN WITNESS WHEREOF the parties hereto have put their respective hands the day and the year herein above written.

Signed and delivered by the within
named obligor in the presence of

(1)

(2)

Signed and delivered by the within
named surety in the presence of

(1)

(2)

Accepted

for and on behalf of the President of India.

Sd./- S. K. BHATTACHARJEE,

Deputy Secretary to the Government of India.

No. 48/59/F. No. 14/56/58—CX IV

To be published in Part II, Section 3, Sub-section (i) of the Gazette of India, dated the 2nd May, 1959/12th Vaisakha, 1881

GOVERNMENT OF INDIA

MINISTRY OF FINANCE (DEPARTMENT OF REVENUE)

New Delhi, the 2nd May, 1959/12th Vaisakha, 1881.

NOTIFICATION

Central Excises

In pursuance of rules 12 and 12A of the Central Excise Rules, 1944, as applied to the State of Pondicherry, the Central Government hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Revenue Division) No. 45-Central Excises, dated the 1st November, 1954, namely :—

In the table annexed to the said notification—

- (a) in the entries in column 2 against serial No. 1, the item "Vegetable Product" shall be omitted ; and
- (b) after serial No. 11 and the entries relating thereto, the following shall be inserted, namely—

1	2	3	4	5
12 Vegetable Product.	Do.	The whole of the excise duty paid on Vegetable Product plus the excise duty at the rate of Rs. 105·60 per ton of such Vegetable Product in respect of the Vegetable Non-essential Oils other than Cotton-seed Oil used in the manufacture thereof.	Provided that—	(a) the exporter other than manufacturer is specifically approved by the Collector and executes an indemnity bond in Form 'A' or Form 'B' appended hereto, with such surety or sufficient security as the Collector approves, in a sum equal at least to the amount of rebate claimed in respect of vegetable non-essential oils used in the manufacture of the

1	2	3	4	5
				vegetable product exported agreeing to indemnify Government in regard to any claim by the manufacturer for refund in whole or in part, of the excise duty paid by him on such vegetable non-essential oils in respect of which rebate of duty may have been granted to such exporter; (b) the exporter whether he is manufacturer or not, declares to the proper officer the formula of manufacture showing the percentage by weight of cottonseed oil and other vegetable non-essential oils to be used in the manufacture of the Vegetable Product for export and furnishes proof that the duty thereon has been paid to the satisfaction of the proper officer.

FORM 'A'

Bond (with security) to be executed by exporters other than manufacturers of Vegetable Products

KNOW ALL MEN by these presents that I/Wethe exporter(s) of vegetable product (hereinafter called "the obligor(s)" am/are jointly and severally bound unto the President of India (hereinafter referred to as "the Government") in the sum of Rs....only to be paid to the Government for which payment well and truly to be made I/We jointly and severally bind myself/ourselves and my/our respective heirs and legal representatives dated this day of

WHEREAS by a notification bearing No. 45-Central Excises, dated the 1st November, 1954 issued by the Central Government under rule 12 of the Central Excise Rules, 1944, and as amended from time to time the Central Government has directed a rebate of excise duty paid on the vegetable non-essential oils, other than cottonseed oil, used in the manufacture of vegetable product and paid on such vegetable product at the rates mentioned in the said notification on its exportation to any country or territory out of India as mentioned therein.

AND WHEREAS the obligor(s) have exported(herein enter quantity) of vegetable product and applied for rebate of duty in respect of the same and the vegetable non-essential oils used in manufacture thereof, on its exportation.

AND WHEREAS under the said notification, the obligors are required to execute a bond agreeing to indemnify the Government in regard to any claim made against the Government by the manufacturer for refund in whole or in part of excise duty on such vegetable non-essential oils.

AND WHEREAS in pursuance of the said provision the obligors have executed the bond as aforesaid.

AND WHEREAS the obligors have deposited a sum of Rs....with the Collector of Central Excise at as security for the bond.

NOW THE CONDITION OF THE ABOVE WRITTEN obligation is that if at any time hereafter a refund of excise duty in respect of the said vegetable non-essential oils becomes payable to the manufacturers for which refund has been granted to the exporter, then the obligors shall pay to the Government the amount of rebate, if any, sanctioned and paid by the Government to the obligors and upon the obligors making such payment to the Government, the aforesaid obligation shall be void otherwise and on breach or failure in the performance of the above obligation, the same shall remain in full force and effect.

AND IT IS HEREBY AGREED AND DECLARED that the Government shall be at liberty to make good all the loss or damage that may be incurred by the Government from the amount of deposit made by the obligors as aforesaid and that the same will not prejudice Government's right to enforce the above written bond.

AND IT IS HEREBY DECLARED that this bond is given under the orders of the Central Government for the performance of an act in which public are interested.

IN WITNESS WHEREOF.....has/have put his/their respective hand/hands the day and the year herein above written.

Signed and delivered by the within
named obligors in the presence of

(1)

(2)

Accepted by for and on behalf
of the President of India.

FORM 'B'

Bond (with surety) to be executed by exporters other than manufacturers of Vegetable Product

KNOW ALL MEN by these presents that I/We the exporter(s) of vegetable product (hereinafter called "the obligor(s)" and I..... of (hereinafter called "the Surety") are jointly and severally bound unto the President of India (hereinafter referred to as "the Government") in the sum of Rs. only to be paid to the Government for which payment well and truly to be made we jointly and severally bind ourselves and our respective heirs and legal representatives dated this day of 195 .

WHEREAS by a notification No. 45-Central Excises, dated 1st November, 1954, issued by the Central Government under the Central Excise Rules, 1944 and as amended from time to time the Central Government has directed a rebate of excise duty paid on the vegetable non-essential oils, other than cottonseed oil, used in the manufacture of vegetable product and paid on such vegetable product at the rates mentioned in the said notification on its exportation to any country or territory out of India as mentioned therein.

AND WHEREAS the obligor(s) have exported (herein enter quantity) of vegetable product and applied for rebate of duty in respect of the same and the vegetable non-essential oils used in the manufacture thereof on its exportation.

AND WHEREAS under the said notification, the obligors are required to execute a bond along with a surety agreeing to indemnify the Government in regard to any claim made against the Government the manufacturer for refund in whole or in part of excise duty on such vegetable non-essential oils.

AND WHEREAS in pursuance of the said provision the obligor and the surety have executed the bond aforesaid.

NOW THE CONDITION OF THE ABOVE WRITTEN OBLIGATION is that if at any time hereafter, a refund of excise duty in respect of the said vegetable non-essential oils becomes payable to the manufacturer for which refund has been granted to the exporter, then the obligors and the surety shall pay to the Government the amount of rebate, if any, sanctioned and paid by the Government to the obligors and upon the obligors and/or the surety making such payment to the Government, the aforesaid obligation shall be void otherwise and on breach or failure in the performance of the above obligation, the same shall remain in full force and effect.

AND IT IS HEREBY agreed and declared that the Surety shall not be discharged or released of his liability hereunder by any arrangement made between the Government and the obligor either with or without his consent or by any other alteration in the obligation undertaken by the obligor as to payment, time, performance or otherwise.

AND IT IS HEREBY DECLARED that this bond is given under the orders of the Central Government for the performance of an act in which public are interested.

IN WITNESS WHEREOF the parties hereto have put their respective hands the day and the year herein above written.

Signed and delivered by the
within named obligor in the presence of

(1) _____

(2) _____

Signed and delivered by the
within named Surety in the presence of

(1) _____

(2) _____ Accepted for and on behalf of the
President of India.

Sd/- S. K. BHATTACHARJEE,

Deputy Secretary to the Government of India.

No. 49/59/F. No. 14/56/58-CX IV.

To be published in Part II, Section 3, Sub-section (i) of the Gazette of India dated 5th September, 1959/14th Bhadra 1881 S. E.

GOVERNMENT OF INDIA

MINISTRY OF FINANCE (DEPARTMENT OF REVENUE)

New Delhi, the 5th September, 1959

14th Bhadra 1881, S.E.

NOTIFICATION

Customs and Central Excise

G.S.R. In exercise of the powers conferred by sub-section (3) of section 43-B of the Sea Customs Act, 1878 (8 of 1878) and section 37 of the Central Excises and Salt Act, 1944 (1 of 1944), as in force in India and as applied to the State of Pondicherry, the Central Government hereby makes the following amendments in the Customs and Central Excise Duties Drawback (Toilet Products) Rules, 1958, the same having been previously published as required by sub-section (3) of the said section 43-B of the Sea Customs Act, 1878 (8 of 1878), namely :—

In the said rules—

(1) for clause (d) of rule 2, the following shall be substituted, namely:—

‘(d) “exporter” means the person who is registered as such under rule 5 of these rules’;

(2) the proviso to rule 3 shall be omitted.

[60/59]

Sd/- S. K. BHATTACHARJEE,

Deputy Secretary to the Government of India.

No. 60/59/F. No. 14/59-CX, IV.

Copy forwarded to :—

The Collector of Central Excise, Delhi, Allahabad/Patna/Shillong/Calcutta/Hyderabad/Nagpur/Baroda/Bombay/Madras/Bangalore/Poona.

The Collector of Customs and Central Excise, Pondicherry.

The Deputy Collector-in-Charge, Central Excise and Land Customs, Jaipur.

The Deputy Commissioner Andaman & Nicobar Islands, Port Blair.

All Collectors of Customs.

The Directorate of Inspection (Customs and Central Excise), New Delhi (with 16 spare copies including 2 for the Bulletin).

The Directorate General Revenue, Intelligence, B.M.I. Building, New Delhi.

The Ministry of Commerce and Industry/External Affairs/Law.

The Director-General of Commercial Intelligence and Statistics for publication in the Trade Journal.

The Editor, Commercial Publications, the Ministry of Commerce and Industry, 'P' Block, New Delhi.

The Chief Chemist, Central Revenue, Control Laboratory.

Lok Sabha Secretariat (Committee Branch II) with reference to their O.M. No. 26-CII/55 dated the 11th July 1955 (with 5 spare copies).

Prime Minister's Secretariat (one copy only).

O.S.D. (Shri W. Saldanha) C/o the Collector of Central Excise, Delhi.

I.O. (Shri Sahai) I.O. (Shri Pathak) (Shri Mehta) I.O.I.O. (Shri Satagopan).

U.S. (CXM)/U.S. (CX. S) /U.S. (CX.D).

CX I/CX II/CX III/CX. V Branch (with 10 spare copies).

Central Board of Revenue Library (10 spare copies).

Copy also forwarded to Shri Srikumarna Nayar, Deputy Director, Export Promotion, C & I Ministry, New Delhi and Shri H. S. Sammuel, Deputy Accountant General, New Delhi.

Cus IV Section (5 spare copies).

Copy also forwarded to—

The Secretary, Federation of Indian Chamber of Commerce and Industry, New Delhi.

The Secretary, Associated Chamber of Commerce, Royal Exchange, Calcutta.

Sd/- J.N. SAXENA,

Under Secretary to the Government of India.

**Extract from The Customs and Central Excise Duties Drawback
(Toilet Products) Rules 1958.**

Rule 2(1) In these rules, unless the context otherwise requires—

* * * * *

“exporter ” means the person who exports the goods manufactured by him and who is registered as such under rule 5 of these rules.”

* * * * *

Rule 3. *“Toilet products in respect of which drawback may be allowed.*

Subject to the provisions of the Sea Customs Act, 1878 (8 of 1878) and the Central Excise and Salt Act, 1944 (1 of 1944) and of these rules, and subject also to such of the provisions of the Central Excise Rules, 1944, as may be applicable in this behalf, a drawback shall be allowed in respect of the following on the export of the toilet products from India or the State of Pondicherry, or their shipment as stores for use on board a ship proceeding to a foreign port;

- (a) imported material used in the manufacture of the toilet products;
- (b) excisable articles used in the manufacture of the toilet products;
- (c) in the case of soap, the excise duty paid thereon;

Provided that no drawback under these rules shall be admissible in respect of soap exported in accordance with the provisions of rule 12, 13, or 14 of the Central Excise Rules, 1944.”

APPENDIX II

Analysis of the action taken by Government on the recommendations contained in the Fifty-seventh Report of the Estimates Committee (Second Lok Sabha).

1. Total no. of recommendations	52
2. Recommendations accepted fully by Government (<i>Vide</i> recommendations in Chapter II)	
Number	26
Percentage to total	50%
3. Recommendations accepted partly or with modifications (<i>Vide</i> recommendations Nos. 5, 6, 7, 32, 9, 14, 21, 28 and 36).	
Number	9
Percentage to total	17%
4. Recommendations not accepted by Government but replies in respect of which have been accepted by the Committee (<i>Vide</i> recommendations Nos. 11, 22, 29 and 41)	
Number	4
Percentage to total	8%
5. Recommendations in respect of which replies of Government have not been accepted by the Committee (<i>vide</i> recommendations in Chapter IV).	
Number	11
Percentage to total	21%
6. Recommendations in respect of which final replies of the Government have not been received (<i>Vide</i> recommendations in Chapter V)	
Number	2
Percentage to total	4%

**LIST OF AUTHORISED AGENTS FOR THE SALE OF PARLIAMENTARY
PUBLICATIONS OF THE LOK SABHA SECRETARIAT, NEW DELHI—I**

Agency No.	Name and address of the Agent	Agency No.	Name and address of the Agent	Agency No.	Name and address of the Agent
1.	Jain Book Agency, Connaught Place, New Delhi.	26.	The International Book Service, Deccan Gymkhana, Poona-4.	50.	Chanderkant Chiman Lal Vora, Gandhi Road, Ahmedabad.
2.	Kitābistan, 17-A, Kamla Nehru Road, Allahabad.	27.	Bahri Brothers, 188, Lajpat Rai Market, Delhi-6.	51.	S. Krishnaswamy & Co., P.O. Teppakulam, Trichinapalli-1.
3.	British Book Depot, 84, Hazratganj, Lucknow.	28.	City Booksellers, Sohan-ganj Street, Delhi.	52.	Hyderabad Book Depot, Abid Road, (Gun Foundry) Hyderabad.
4.	Imperial Book Depot, 268, Main Street, Poona Camp.	29.	The National Law House, Near Indore General Library, Indore.	53.	M. Gulab Singh & Sons (P) Ltd., Press Area Mathura Road, New Delhi.
5.	The Popular Book Depot (Regd.), Lamington Road, Bombay-7.	30.	Charles Lambert & Co., 101, Mahatma Gandhi Road, Opp. Clock Tower, Fort, Bombay.	54.	C.V. Venkatachala Iyer, Near Railway Station, Chalakudi. (S.I.).
6.	H. Venkataramaiah & Sons, Vidyanidhi Book Depot, New Statue Circle, Mysore.	31.	A. H. Wheeler & Co. (P) Ltd., 15, Elgin Road, Allahabad.	55.	The Chidambaram Provision Stores, Chidambaram.
7.	International Book House, Main Road, Trivandrum.	32.	M.S.R. Murthy & Co., Visakhapatnam.	56.	K.M. Agarwal & Sons, Railway Book Stall, Udaipur (Rajasthan).
8.	The Presidency Book Supplies, 8-C, Pycroft's Road, Triplicane, Madras-5.	33.	The Loyal Book Depot, Chhipi Tank, Meerut.	57.	The Swadesamitran Ltd., Mount Road, Madras-2.
9.	Atma Ram & Sons, Kashmere Gate, Delhi-6.	34.	The Good Companion, Baroda.	58.	The Imperial Publishing Co., 3, Faiz Bazar, Daryaganj, Delhi-6.
10.	Book Centre, Opp. Patna College Patna.	35.	University Publishers, Railway Road, Jullundur City.	59.	The High Commission of India, Establishment Department Aldwych, London, W.C.-2.
11.	J. M. Jaina & Brothers, Mori Gate, Delhi-6.	36.	Students Stores, Raghunath Bazar, Jammu-Tawi.	60.	Current Book Stores, Maruti Lane, Raghunath Dada Street, Bombay-1.
12.	The Cuttack Law Times Office, Cuttack-2.	37.	Amar Kitab Ghar, Diagonal Road, Jamshedpur-1.	61.	International Consultants Corporation, 48-C, Marredpally (East), Secunderabad, (A.P.)
13.	The New Book Depot, Connaught Place, New Delhi.	38.	Allied Traders, Motia Park, Bhopal.	62.	K. G. Ascervandam & Sons, Cloughpet, P.O. Ongoli, Guntur Distt. (Andhra).
14.	The New Book Depot, 79, The Mall, Simla.	39.	E.M. Gopalkrishna Kone, (Shri Gopal Mahal), North Chitrai Street, Madura.	63.	The New Order Book Co. Ellis Bridge, Ahmedabad.
15.	The Central News Agency, 23/90, Connaught Circus, New Delhi.	40.	Friends Book House, M.U., Aligarh.	64.	The Triveni Publishers, Masulipatnam.
16.	Lok Milap, District Court Road, Bhavnagar.	41.	Modern Book House, 286, Jawahar Ganj, Jabalpur.	65.	Deccan Book Stall, Ferguson College Road, Poona-4.
17.	Reeves & Co., 29, Park Street, Calcutta-16.	42.	M. C. Sarkar & Sons (P) Ltd., 14, Bankim Chatterji Street, Calcutta-12.	66.	Jayna Book Depot, Chappirwala Kuan, Karol Bagh, New Delhi-5.
18.	The New Book Depot, Modi No. 3, Nagpur.	43.	People's Book House, B-2-829/1, Nizam Shahi Road, Hyderabad Dn.	67.	'Bookland', 663, Madar Gate, Ajmer (Rajasthan).
19.	The Kashmir Book Shop, Residency Road, Srinagar, Kashmir.	44.	W. Newman & Co. Ltd., 3, Old Court House Street Calcutta.	68.	Oxford Book & Stationery Co., Scindia House, Connaught Place, New Delhi.
20.	The English Book Stores, 7-L, Connaught Circus, New Delhi.	45.	Thacker Spink & Co. (1938) Private Ltd., 3, Esplanade East, Calcutta-1.	69.	Makkala Pustaka Press, Balamandira, Gandhinagar, Bangalore-9.
21.	Rama Krishna & Sons, 16-B, Connaught Place, New Delhi.	46.	Hindustan Diary Publishers, Market Street, Secunderabad.	70.	Gandhi Samriti Trust, Bhavnagar.
22.	International Book House Private Ltd., 9, Ash Lane, Bombay.	47.	Laxmi Narain Aggarwal, Hospital Road, Agra.	71.	People's Book House, Opposite Jaganmohan Palace, Mysore-1.
23.	Lakshmi Book Store, 42, M. M. Queensway, New Delhi.	48.	Law Book Co., Sardar Patel Marg, Allahabad.		
24.	The Kalpana Publishers, Trichinopoly-3.	49.	D. B. Taraporewala & Sons, Co. Private Ltd., 210, Dr. Naoroji Road, Bombay-1.		
25.	S. K. Brothers, 15A/65, W.E.A., Karol Bagh, New Delhi-5.				