

(b) to (d). Do not arise in view of (a) above.

Excise Duty on Pickles

6934. PROF. MADHU DANDAVATE: Will the Minister of FINANCE be pleased to state:

(a) whether Excise Duty on pickles has been withdrawn;

(b) if so, whether the withdrawal is available only when pickle is manufactured in the co-operative sector;

(c) if so, whether there are many persons including women from the economically weaker sections who are spread out in the rural sector and cannot possibly organise themselves in Co-operatives; and

(d) if so, whether Government propose to extend the withdrawal of excise duty to such individual manufacturer of pickles as well?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K.PANJA) : (a) to (c). In this year's Budget, Government has introduced a new scheme providing for exemption from the whole of the excise duty in respect of certain specified goods, including pickles if manufactured in rural areas by registered co-operative societies, including women's societies, or by the Khadi and village Industries Commission or by the State Khadi and Village Industries Boards. The general rate of basic excise duty on pickles has been reduced from 10% ad valorem to 5% ad valorem with effect from the 1st March, 1988. This commodity is also covered by the general scheme of exemption from excise duty for the small-scale sector. Small scale units who cannot organize themselves into co-operatives can avail of this scheme.

(d) There is no such proposal under consideration.

Export to Hungary

6935. SHRIMATI JAYANTI PATNAIK : Will the Minister of COMMERCE be pleased to state:

(a) the items exported to Hungary during the last three years;

(b) the total value of the export of these items, year-wise ;

(c) whether Government have identified new areas for expansion of Indo-Hungary trade; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE AND MINISTRY OF COMMERCE (SHRI NARAYAN DATT TIWARI) : (a) and (b). The value of Indian exports to Hungary during the last three years was as under:

Year	Value in Rs. Lakhs
1985-86	2362
1986-87	4681 (P)
1987-88 (April -Dec.)	3208(P)

P- Provisional.

(Source : DGCI & S, Calcutta)

The main items of export to Hungary had been: Spices, tea, deoiled cake, leather and leather manufactures, Textiles (Yarn, fabrics and ready made garments), jute goods, iron ore, electronic goods, hand tools, cosmetics etc.

During the recent past, non-traditional

items of export such as iron ore pellets, consumer electronic items, Maruti cars, etc. have been added.

(c) and (d). Efforts are being made to increase the volume of trade in areas such as automobiles/components, garage equipment, electronics (including computer peripherals, Software, testing & measuring instruments etc. Apart from efforts towards further diversification of the structure of conventional trade, efforts are also being made to encourage new forms of cooperation such as joint ventures, production cooperation, cooperation in services sector. etc.

Export Credit of Allahabad Bank

6936 SHRI SRIKANTHA DATA NARASIMHARAJA WADIYAR: Will the Minister of FINANCE be pleased to state:

- (a) whether the export credit of the Allahabad bank has increased during 1987-88?
- (b) if so, the details of the export credit of the bank in 1986-87 and 1987-88?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K.GADHVI) : (a) and (b). The Allahabad Bank has reported that its total Export credit outstandings has increased from Rs. 50.1 crores in 1986-87 to Rs. 65.9 cores in 1987-88.

Exemption of Dearness Allowance from Income Tax

6937. SHRI R.M.BHOYE: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering a proposal to exempt dearness allowance and additional dearness allowance,

wholly or partly from income-tax;

(b) if so, the details thereof and reaction of Government thereon; and

(c) if so, whether Government also propose to consider tax exemption on dearness relief given to pensioners?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K.PANJA) : (a) and (b). Numerous suggestions were received by the Government for exempting dearness allowance and additional dearness allowance from income-tax. These suggestions were examined and not found to be acceptable.

(c) Does not arise.

MODVAT Benefit to Aerated Water Industry

6938. SHRI CHINTAMANI JENA: Will the Minister of FINANCE be pleased to state:

(a) whether the MODVAT benefit was given to aerated water industry in 1987 because of the increase in excise;

(b) if so, whether the benefit is still continuing; and

(c) if not, the reasons thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K.PANJA) : (a) Central Excise duty of aerated waters was increased in 1987 Budget. The benefit of MOVAT was simultaneous extended to aerated waters.

(b) and (c) It was observed that the increase in the wholesale and the retails prices of aerated waters immediately after