

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:6233  
ANSWERED ON:06.05.2005  
ECONOMIC PACKAGE  
Osmani Shri A.F. Golam

**Will the Minister of FINANCE be pleased to state:**

- (a) the details of special economic package separately announced for States of Jammu and Kashmir, North East States and Uttaranchal with cut off date;
- (b) the steps taken by the Government to provide level playing field for small manufactures located in other States in respect of concession in Central Excise Duty; and
- (c) the reaction of the Government thereto?

**Answer**

MINISTER OF STATE IN MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a): Excise duty exemption for new industries and existing industrial units undertaking substantial expansion in the States of Jammu and Kashmir and North East is provided for a period of ten years without any cut off date as regards establishment /expansion. In the case of Sikkim, Uttaranchal and Himachal Pradesh however such units commencing commercial production on or before 31st March 2007 get eligible for excise duty exemption for a period of ten years.

(b) & (c): Small manufacturers, producing specified goods are given full exemption of excise duty for first clearance of goods for one crore rupees in a financial year in case they have an aggregate clearance of less than Rs. 3 crores during the preceding year.