

Title: Need to enhance the loan amount given to members of Beedi Workers' Cooperative Societies in Kerala and exempt the Societies from Central Excise levy- Laid.

SHRI ABDULLAKUTTY (CANNANORE): Beedi rolling is the mainstay for livelihood of a large number of people and families in my constituency – Kannur – in Kerala with many Beedi Workers Co-operative Societies providing job opportunities in an organised way. Dinesh Beedi Works, Kannur is a co-operative venture with more than 30,000 members on its roll.

Under the existing Beedi Workers Welfare Fund regulations, the maximum loan facility given to a member for buying of land and construction of a house, is limited to Rs.1,00,000/- only. But the prevailing land prices and construction costs in Kerala, being on a very higher side, it is necessary to enhance this loan limit to a minimum of Rs.2,00,000/-.

Organised Beedi sector is subjected to imposition of Central Excise levy which is a burden to co-operative ventures, but the individuals rolling Beedi for livelihood are exempted from levy of Central Excise. Since Co-operatives contribute to the welfare of its members, it is necessary to exempt them from Central Excise levy.