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Title: Need to exempt semi-mechanised safety match industries from the purview of the Excise Duty.

SHRI S.S. RAMASUBBU (TIRUNELVELI): Sir, now-a-days, the match industry is facing a very serious problem not only in Tamil Nadu but also all over India. The safety match industry is segregated into three parts, namely, completely handmade, partially mechanized and fully mechanized. Safety match making can be classified into five steps, namely, frame filling, dipping, box filling, label pasting and packing. In completely handmade units, all these five processes are being carried out without the use of power. But in partially mechanized units, the processes of frame filling and dipping are being carried out through machines while box filling, label pasting and packing are being performed by hand. In fully mechanized units, all the five processes are being carried out through machines.

Sir, now-a-days there is a very serious problem. The current situation is that the completely handmade units have shrunk into three per cent while the partially mechanized units are contributing 72 per cent of the total production and 25 per cent comes from completely mechanized units. As a result, all the labourers, who are engaged in handmade units, have shifted to semi-mechanized units.

After the implementation of the National Rural Employment Guarantee Scheme, now-a-days this industry is also facing labour crunch.

However, they did not attain their production target and the imposition of excise duty is adding fuel to the fire. As per the available survey report, partially-mechanized unit contributed to providing employment to 38,959 persons. This is 79 per cent. Handmade safety match industry employs least number of labourers. Semi-mechanised units employ most of the labourers and it took over the position of small-scale industries from handmade units and they are to be protected.

MR. CHAIRMAN : Please come to the point.

SHRI S.S. RAMASUBBU ): I shall, therefore, urge upon the Union Government that total excise duty exemption should also be extended to semi-mechanised units at par with handmade units to save this industry.