

**SHRI KHURSHEED ALAM KHAN :** The suggestion of the Hon. Member will be taken into consideration and we will try to conduct a survey of the possibilities of the traffic offering and in the light of the results of the traffic survey, we will decide about the expansion.

**SHRIMATI JAYANTI PATNAIK :** The Hon. Member has said that the traffic demand is there and the infrastructural facilities are there for the air service between Bhubaneswar and Jeypur.

I learnt that the Minister of Civil Aviation had approached the State Government of Orissa for waiving of sales tax on aviation fuel used by the aircraft of Vavudoot and it is understood that the State Government have agreed to do so.

In that case, I would like to know why the request of the State Government to link up Bhubaneswar-Dharsuguda-Jeypur will not be taken up.

**SHRI KHURSHEED ALAM KHAN :** We have approached all the State Governments requesting them to waive or exempt aviation fuel from the sales tax of the State Government. But it does not mean that once the State Government has given its consent, then we have immediately to establish the service without looking into the viability and other aspects.

#### Exemption of Chimney from Excise Duty

\*462. **SHRI UTTAMRAO PATIL :** Will the Minister of FINANCE be pleased to state :

(a) Whether it is a fact that the excise exemption granted to thermos flasks, scientific glass-ware, pressure cookers and electric bulbs, etc. is enjoyed mostly by the Urban rich ;

(b) whether it is also a fact that poor rural population do not enjoy any such concession of excise duty even on chimney which is the main source of light, because of the criterion of turn-over ; and

(c) if so, whether Government propose to remove the criterion of annual turn-over

to exempt chimneys from excise duty and thus give relief to poor ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PATTABHI RAMA RAO) :** (a) to (c) A statement has been laid on the Table of the House.

#### Statement

(a) and (b) It is not correct to say that the exemptions referred to in part (a) of the Question are enjoyed mostly by the urban rich. Exemptions from central excise duties are granted keeping in view a variety of considerations. One of the important considerations is that the small-scale sector should get a definite advantage over the organized sector.

Glass chimneys for lamps and lanterns produced in the small scale sector are eligible for the exemption under the general scheme of exemption for small-scale units. Removal of the criterion of annual turn-over stipulated in the general scheme of exemption would not be in the interest of genuine small-scale units manufacturing chimneys, as in that case the small-scale units will be losing the existing advantage.

(c) No such proposal is under consideration of the Government.

**SHRI UTTAMRAO PATIL :** I would like to know whether there is total exemption of excise duty on thermos flask, pressure cooker and electric bulbs and, if so, why the same concession of excise duty is not given to glass chimneys for lamps and lanterns.

Is it a fact that some units manufacturing glass chimneys for lamps and lanterns are closing down for lack of financial viability ? Has the Hon. Minister received any representation from manufacturers in this regard and, if so, what is the reaction of the Government ?

**SHRI PATTABHI RAMA RAO :** These concessions are given to the small scale units which are manufacturing these articles. Actually chimneys about which the hon. Member has mentioned are

mostly manufactured by the large scale units and we do not want the multi-nationals or large scale people to enjoy the concessions. So, we could not do that. However, where the small scale units are manufacturing, there is a concession.

**SHRI UTTAMRAO PATIL :** My question is whether there is a total exemption of excise duty on thermos flasks, pressure cookers and electric bulbs and if so, why the concession has not been given to the manufacturers of chimneys.

**SHRI PATTABHI RAMA RAO :** I have already replied that chimneys are manufactured mostly by the large scale sector. This concession is meant for the small scale sector and also for the use of the general public. Generally pressure cookers and the other things that he has mentioned are used by common man, Chimneys are used by people who have better means and so, we thought that it was not necessary to give.

**SHRI SATISH AGARWAL :** He is asking about the chimneys which are used in lamps and lanterns in the rural sector. How do you say that are used by people with better means ?

**PROF. MADHU DANDAVATE :** He is confusing himself with chimneys of the textile mills.

**SHRI SATISH AGARWAL :** The question is about the chimneys that are used in lanterns. He is asking about that whether you will consider grant of exemption from excise duty with regard to chimneys which are being used in lanterns which are mostly used in the rural sector.

**SHRI UTTAMRAO PATIL :** Chimneys used in lamps and lanterns. That is my question.

**SHRI PATTABHI RAMA RAO :** Actually the duties on chimneys are as under : for clearances upto 7.5 lakhs in a financial year-nil ; there is no duty ; for clearances above Rs. 7.5 lakhs and upto Rs. 25 lakhs-7.875 percent : as against the above, a unit not eligible for the exemption under noti-

fication No. 83/83-CE dated 1-3-1983 pays a duty of 10.5 percent ad valorem. (Interruptions.)

**MR. SPEAKER :** I have not followed. Mr. Shantaram Potdukhe.

**SHRI SHANTARAM POTDUKHE :** The hon. Minister has said that glass chimneys for lanterns are produced by multi-nationals. That is not a fact. They are produced by small manufacturers . . . (Interruptions)

**SHRI SATISH AGARWAL :** Have you understood the answer ?

**MR. SPEAKER :** I could not follow. (Interruptions)

**SHRI PATTABHI RAMA RAO :** What exactly they want, I do not understand. What I have understood, I have replied to it.

**SHRI SATISH AGARWAL :** The question is whether the chimneys used in lanterns in the rural sector will be exempted from levy of excise duty.

**MR. SPEAKER :** Please consider that. The Question Hour is over.

#### WRITTEN ANSWERS TO QUESTIONS

##### Smuggling of Narcotics

\*457. **DR. A. U. AZMI :** Will the Minister of FINANCE be pleased to state :

(a) whether India is being used as a transit point for smuggling narcotics from Pakistan's golden crescent and South East Asia's golden triangle ; and

(b) if so, the steps taken to check the flow of heroin through India ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PATTABHI RAMA RAO) :** (a) The seizures made and intelligence received indicate that India has in recent years become vulnerable as a transit point for the smuggling of narcotics from some countries in the Near/Middle East and South East Asia.