

**Import duty on methanol**

547. SHRI DRUPAD BORGOHAIN: Will the Minister of FINANCE be pleased to state:

(a) whether methanol producing petrochemical industry faces serious challenge due to invasion of indigenous market by foreign methanol at a lower price;

(b) whether Government refused to increase the import duty on methanol to make the prices of indigenous and foreign methanol at par last year; and

(c) if so, whether Government now propose to review the situation and enhance the import duty on methanol to save the indigenous methanol producing petrochemicals industry?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR): (a) The performance of domestic methanol industry and import figures do not reflect so.

(b) and (c) As regards the duty changes, it is not possible to indicate any reaction at this stage in view of the ensuing budget.

**Customs duty on imported tea**

548. SHRI SHIBU SOREN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Indian Tea Association has urged Government to increase customs duty on imported tea in the interest of domestic producers;

(b) if so, what is the present rate of customs duty on imported tea and what is the quantum of tea imported during the last three years, year-wise; and

(c) what is the opinion of Government regarding the demand made by the Indian Tea Association?

[29th February, 2000] RAJYA SABHA

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI V. DHANANJAYA KUMAR): (a) Yes, Sir.

(b) At present, tea attracts basic customs duty of 15% as well as a surcharge of 10% of basic duty (total of 16.5%). It is also chargeable to additional duty of Rs. 2 per kg. During the year 1996-97, 1.25 million kgs. of tea was imported. For the years 1997-98 and 1998-99, the imports are estimated to be of the order of 2.61 million kgs. and 8.39 million kgs. respectively.

(c) In view of the ensuing budget, it is not possible to indicate the opinion of the Government, at this stage.

#### Excise duties on tobacco and pan masala

549. SHRI SHIBU SOREN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have completely waived off excise duties on the tobacco and pan masala units in the North Eastern India;

(b) if so, details of the States in which these items are exempted from excise duties; and

(c) the names and details of the companies which are likely to be benefited by this decision of the Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI V. DHANANJAYA KUMAR): (a) and (b) Units manufacturing tobacco or pan masala located in specific growth centres, industrial parts, industrial estates etc. in the State of Assam and Tripura are exempt from basic and additional excise duty paid by them in cash. The exemption is available only to units that have been set up after 24th December, 1997 or have undertaken substantial expansion after that date.

(c) At present, the benefit of this exemption is being claimed by M/s. New Zone India Ltd., Tezpur,, M/s. NTC Ltd., Badarpur, M/s. NETCO Ltd., Amingaon, M/s. Dharampal Satyapal Ltd.,