

(b) Amount released to Govt. of West Bengal by the Union Government for State Plan Scheme, Natural Calamities etc., during the Sixth Plan period.

| | Amount (Rs. in crores) |
|--|---------------------------|
| (i) Normal Central assistance | 671.13** |
| (ii) For External aided projects | 91.02 |
| (iii) For Hill areas | 30.41 |
| (iv) Non-Plan Medium Term Loan | 414.43* |
| (v) Advance Plan assistance for drought relife | 82.48@ |
| (vi) Non-Plan grant for natural calamities other than drought. | 40.46 |
| Total : | 1329.93 |

NOTE : 1. **includes sum of Rs. 0 30 crores released during 1984-85 for relief Assam refugees.

2. *includes of sum of Rs. 340.71 crores released during 1982-83 as terms loan for covering opening deficit.

3. @includes Rs. 3 crores as advanced plan assistance for flood during 1982-83.

Higher Custom Duty on Drug Intermedlates

931. SHRIMATI N P. JHANSI LAKSHMI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the small scale bulk drug units in the country are not able to manufacture the bulk drugs which are at present being imported due to higher custom duty on the drug intermediates than that levied on the final drug itself; and

(b) if so, the steps taken by Government in the matter to encourage small scale sector to produce the drugs indigenously ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POJARY) : (a) and (b). The prices of bulk drugs are statutorily controlled and in fixing the prices, landed cost of import of the intermediates is taken into consideration. The small scale sector units are also manufacturing bulk drugs. Small scale sector units are not required to obtain any industrial licence before resorting to the production of bulk drugs and they are also freely allowed the imports of intermediates and chemicals in accordance with the import policy in force. The customs duty on drugs and drug intermediates are reviewed from time to time in consultation with the administrative Ministry.

Increase of Price of Cigarettes

932. SHRI AKHTAR HASAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that price of cigarettes shot up to almost double the rates during the last two months;

(b) if so, reasons therefor; and

(c) the steps being taken to check the prices of cigarettes ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POJARY) : (a) to (c). There were reports of cigarettes prices of different brands having gone up in the market during the last two months. The extent of increase in the prices varied as between different brands and also for the same brand as between one market and another.

Prior to 2-9-1985, the excise duty on cigarettes varied with every five-paise change in the prices of cigarettes. It was found that some manufacturers of cigarettes were clearing identical brands at two prices paying duty on the lower price and selling these at the higher price. In order to minimise the scope for such manipulation, the Government introduced a revised duty structure on cigarettes on 2-9-1985 with only five rates of duty, followed by a stipulation that the surface design of each brands of cigarette should be got approved

by a central authority. These changes were followed by temporary disruption in the clearance of cigarettes from the factories for some time which was exploited and cigarettes of various brands were sold in the market at prices higher than the declared prices printed on the packages of cigarettes for retail sale.

There is no price control on cigarettes. State Governments have however been advised to take suitable action under the provisions of the Standards of Weights and Measures Act, 1976, and the Rules made thereunder.

Diversion of Money Towards Ostentatious Expenditure on Marriages

933. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that many corporate enterprises diverted huge amounts of money towards ostentatious expenditure; and

(b) if so, the steps Government propose to take only to check the present ostentatious expenditure on marriages and other social corporate functions in 5 star hotels in big cities but also to examine the concept of Expenditure Tax ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The assessing officers are empowered to disallow any expenditure which is not incurred wholly and exclusively for the purpose of business. Section 133A(5) of the Income-tax Act, 1961 also authorises the assessing officers to enquire into the nature, scale and source of ostentatious expenditure on marriages and other social functions.

The Government have decided to appoint a Committee to study the desirability of moving towards expenditure, wholly or partly as the base for progressive taxation of individuals and non-corporate entities and to examine the implications of the levy of tax on expenditure in all its aspects, particularly in relation to taxation of corporate sector.

Instalments of Dearness Allowance Due to Central Government Employees

934. SHRI MANVENDRA SINGH : Will the Minister of FINANCE be pleased to state :

(a) the number of instalments of dearness allowance due to the Central Government employees as on 31st October, 1985;

(b) out of these instalments how many instalments of dearness allowance had been granted to the employees upto September, 1985; and

(c) when the rest of instalments of dearness allowance would be paid to Government employees ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Consequent on the average index crossing 592 points at the end of July, 1985, one more instalment of D A. became due for consideration w.e.f. 1st August, 1985.

(b) Nil.

(c) Payment of each instalment of Dearness Allowance to Central Government employees cost exchequer approximately Rs. 70 crores per annum. Therefore, question of payment of each instalment has to be considered carefully with regard to their impact on the economic situation and the Budget. The question of sanction for payment of the Government is receiving the attention of the D.A. instalment It is, however, not possible to indicate any time-limit for taking a decision in this regard.

Infrastructure Facilities at Tourist Centres in U.P.

935. SHRI MANENDRA SINGH : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state the amount spent by Union Government during the past three years in developing the infrastructure facilities in tourist centres of Uttar Pradesh, town-wise details thereof ?