

(c) whether other investigations for the offences of smuggling narcotics have been undertaken by Government;

(d) if so, with what results; and

(e) if not, the reasons therefor?

**The Deputy Prime Minister and Minister of Finance (Shri Morarji Desai):** (a) Shri Lalita Prasad is reported to be in possession of some wealth. The actual extent of his wealth as also its source are being investigated.

(b) Investigations are in progress. No tax has been collected from him, since the assessments have not been completed.

(c) Yes, Sir.

(d) Investigations are in progress.

(e) Does not arise.

#### Artificial Insemination

**4066 Shri Shiva Chandra Jha:** Will the Minister of Health and Family Planning be pleased to state

(a) whether it is a fact that huge amounts are being spent by Government on the experiments in artificial insemination; and

(b) if so, the reasons therefor in the context of family planning drive?

**The Minister of Health and Family Planning (Dr. S. Chandrasekhar):**

(a) No money is being spent for artificial insemination in human beings.

(b) Does not arise.

#### Namrup Fertilizer Plant

**4067. Shri B. N. Shastri:** Will the Minister of Petroleum and Chemicals be pleased to state:

(a) when the Namrup Fertilizer Plant will be commissioned for production;

(b) the estimated annual production capacity of the plant; and

(c) the amount spent up to date, for the entire project?

**The Minister of State in the Ministry of Petroleum and Chemicals and of Planning and Social Welfare (Shri Raghu Ramaiah):** (a) By November/December 1967.

(b) Ammonium Sulphate 1,00,320 tonnes.

Urea 55,110 tonnes

(c) The provisional expenditure to the end of the 31st March, 1967 is Rs. 1751.50 lakhs.

#### Payment of taxes by Firms of Assam

**4068. Shri B. N. Shastri:** Will the Minister of Finance be pleased to state:

(a) whether it is a fact that some business firms with Headquarters outside Assam pay Income-tax and other taxes at their Headquarters for carrying on business and earning profit in Assam;

(b) if so, whether Government propose to give a share of it to the State of Assam; and

(c) if not, the reasons therefor?

**The Deputy Prime Minister and Minister of Finance (Shri Morarji Desai):** (a) Yes, Sir. Under the Income-tax Act, assessment is made by the Income-tax Officer having jurisdiction over the principal place of business of an assessee. If an assessee residing in one State has his headquarters or principal place of business in another State, he is assessed by the Income-tax Officer of the State in which his principal place of business is situated and also pays taxes in that State. This particular feature is not peculiar to Assam.

(b) and (c). The Income-tax paid by business firms, which are companies, constitutes Corporation tax which is not shared with the States.

The Income-tax paid by business firms, which are not companies, forms part of the divisible pool, which is shared with the States. Each State's

share is determined on the recommendation of the Finance Commission. Assam's present share was determined by the Fourth Finance Commission, the distribution principal adopted by them being 80 per cent on population and 20 per cent only on collection. The effect of income-tax collected outside the State would be small and in any case would have been taken into account by the Fourth Finance Commission in their scheme of devolution.

The question of giving any further share to Assam does not, therefore, arise.

### Luxury Flats

4669. **Shri D. C. Sharma:** Will the Minister of Works, Housing and Supply be pleased to state:

(a) Whether some luxury flats for the UNCTAD Conference Delegates proposed to be held in January, 1968 are being built on the old Constitution House grounds on Curzon Road, New Delhi;

(b) if so, the criteria for taking up this project;

(c) the need for holding the Conference in Delhi when the required accommodation could not be provided by the existing hotels; and

(d) the steps taken or proposed to be taken to check such waste of public money?

The Deputy Minister of Works, Housing and Supply (Shri Iqbal Singh): (a) to (d). In 1963, Government sanctioned the construction in the general pool of a hostel building on the site of the Constitution House, to meet the requirements of accommodation of officers posted to Delhi or coming on temporary official visits. Work was not taken up as, at one stage, the question of construction of a hotel on the site came up for consideration. Finally, it was decided to build a hostel on high priority to make the accommodation available in time for the UNCTAD Conference. The accommodation is being built to

the normal standards. It cannot be said that the work involves waste of public money. Extra charges will be recovered from the delegates to the UNCTAD Conference, accommodated in the hostel, for whatever special facilities are provided for them.

Government decided to offer host facilities for the UNCTAD Conference as substantial benefits and advantages were expected from the holding of a conference of such importance and magnitude in this country. Accelerated construction of residential accommodation for the delegates to the conference, which is even otherwise needed for Government employees, will not lead to any waste.

### Compensatory Allowance in Hilly places

4070. **Shri Hem Raj:** Will the Minister of Finance be pleased to state:

(a) whether the enquiry about the payment of compensatory allowances in the hilly places has been completed; and

(b) if so, the result thereof?

The Deputy Prime Minister and Minister of Finance (Shri Morarji Desai): (a) and (b) There is no proposal to modify the existing scheme of Hill (compensatory) allowances.

### Tea Standards

4071. **Shri Hem Raj:** Will the Minister of Health and Family Planning be pleased to state:

(a) whether experiments are being conducted for fixing the standards of tea under the Prevention of Food Adulteration Act by the Indian Standards Institution in conjunction with the Tea Board; and

(b) if so, the result thereof?

The Minister of Health and Family Planning (Dr. S. Chandrasekhar): (a) and (b). Standards for tea are already laid down under the Prevention of Food Adulteration Act, 1954. However,