

including tribal areas and these branches are providing loans to Scheduled Tribes and Scheduled Castes.

A-I city status to Hyderabad

4630. SHRI RAMACHANDRAIAH RUMANDLA: Will the Minister of FINANCE be pleased to state:

- (a) whether Government propose to grant A-I -city status to Hyderabad as requested by the Andhra Pradesh Government;
- (b) if so, by when the decision is likely to be taken; and
- (c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) No, Sir.

(c) Hyderabad city does not fulfil the criteria of population of 50 lakhs based on 1991 census which is the criterion laid down by the 5th Central Pay Commission and accepted by the Government to classify a city as A-I.

Revenue loss due to excise exemption

4631. SHRI SHIBU SOREN: Will the Minister of FINANCE be pleased to state:

- (a) whether Government are suffering huge revenue loss due to the full excise exemption granted to industrial units manufacturing cigarettes, paan masala and tobacco for ten years in the states of Assam, Meghalaya, Nagaland, Tripura, Arunachal Pradesh, Mizoram and Manipur;
- (b) if so, the details thereof;
- (c) whether Government are aware that it will also lead to the growth of "Letter Pad Companies" in these states;
- (d) if so, what action has been/is being taken by Government to check it; and
- (e) the details of the reasons and criterion for granting such exemption to certain states?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR): (a) No, Sir. Grant of exemption of excise duty is a policy decision.