

The Minister of Planning, Petroleum and Chemicals and Social Welfare (Shri Anoka Mishra): (a) and (b). As announced in the statement made in Parliament on the 31st March, 1967, all proposals pending on the 31st March, 1967 for the establishment of fertilizer factories will be dealt with under the policy of December, 1965, provided negotiations with the concerned parties culminate in the issue of industrial licences by the 31st December, 1967 and the projects could be expected to make a timely contribution to the increase in indigenous production. Any new proposals received will be dealt with in the same manner, provided they satisfy the same conditions.

Expansion of Money Supply

*317. Shri R. Barua: Will the Minister of Finance be pleased to state:

(a) whether average expansion of money supply during the past six months following devaluation was on the increase;

(b) if so, at what rate the money supply went on; and

(c) the steps taken or contemplated to be taken to check this malady?

The Deputy Prime Minister and Minister of Finance (Shri Morarji Desai): (a) The money supply with the public declined during the six months' period following devaluation.

(b) and (c). Do not arise.

Enquiry into Utilisation of Foreign Funds

*318. Shri P. K. Dee: Will the Minister of Finance be pleased to state:

(a) whether he had made a statement at a Press Conference held on the 24th March, 1967 that the Central Intelligence Bureau will be engaged to inquire into all foreign funds utilised in this country; and

(b) if so, when the investigation is likely to be completed and which are

the foreign funds that are to be probed into?

The Deputy Prime Minister and Minister of Finance (Shri Morarji Desai): (a) and (b). It will be recalled that during the half hour discussion in the Lok Sabha on March 23, the Foreign Minister announced that an enquiry would be made into the allegations that money from foreign sources had been used in the recent general elections. I was asked questions about this at my meeting with the press the next day, March 24, and I said I agreed that such an enquiry should take place and that it should cover the use of funds from any and all foreign sources about which allegations had been made. As stated by the Home Minister in this House on March 29, the Government have recently ordered the Intelligence Bureau to make such an enquiry and its findings are awaited.

Food Aid Consortium

621. Shri C. C. Desai:
Shri A. K. Gopalan:
Shri Umanath:
Shri R. Barua:

Will the Minister of Finance be pleased to state:

(a) whether it is a fact that a Consortium consisting of some western countries and U.S.A. has been formed at the suggestion of U.S.A. to coordinate their food aid to India to tide over the present food situation in the country due to drought conditions; and

(b) if so, the composition of the Food Aid Consortium and how they are helping India to meet the shortage of foodgrains so far?

The Deputy Prime Minister and Minister of Finance (Shri Morarji Desai): (a) and (b). No, Sir. The U.S. Government have proposed that food aid, like economic aid, to developing

countries such as India should receive multilateral consideration from developed countries. In the case of India, a forum already exists which considers and discusses development aid viz, the India Consortium Meetings of this Consortium are taking place in Paris on the 4th, 5th and 6th April, 1967 and it has been agreed that the question of food aid to India may also be considered in these meetings.

Major Irrigation Projects in Orissa

622. Shri Chintamani Panigrahi: Will the Minister of Irrigation and Power be pleased to state:

(a) the major irrigation projects in Orissa for which Central assistance is likely to be granted or has been granted in the year 1967-68, and

(b) the total amount allotted therefor?

The Minister of Irrigation and Power (Dr. K. L. Rao): (a) and (b). The allocation for major irrigation projects out of the Central assistance to be granted in 1967-68 will depend upon the sector-wise composition of the State plan and the break up of the Central assistance among the sectors. This will be known only after the details of the State Plan are received.

Rural Water Supply Schemes in Orissa

623. Shri Chintamani Panigrahi: Will the Minister of Health and Family Planning be pleased to state.

(a) whether the Orissa Government have made any specific requests to the Central Government for additional outlays for their rural piped water supply schemes;

(b) if so, the amount which has been allotted for Orissa for this purpose in the year 1967-68; and

(c) the details thereof?

The Minister of Health and Family Planning (Dr. S. Chandrasekhar): (a) The Government of Orissa had requested for an allocation of Rs. 25 lakhs during 1965-66 for their rural piped water supply schemes to be executed under the Local Development Works Programme. In view of the limited allotment of Rs. 184 lakhs only for the Local Development Works Programme, during that year, an allocation of Rs. 10 lakhs only could be made to Orissa. However, on the basis of the actual expenditure reported by the State Government, a sum of Rs. 3.80 lakhs only was released as Central assistance during that year. The Local Development Works Programme in respect of piped rural water supply schemes was discontinued from 1966-67 and no further allotments were made to Orissa or any other State for this programme.

No specific request has been received from the Government of Orissa for additional outlays during 1967-68 for their rural piped water supply schemes under the rural phase of the National Water Supply and Sanitation Programme.

(b) and (c) The Government of Orissa proposed an outlay of Rs. 25 lakhs for rural water supply schemes for 1967-68. The Working Group on Water Supply and Sanitation recommended Rs. 150 lakhs keeping in view the problems to be tackled on the rural water supply front, especially in regard to the very difficult and scarcity areas. However, the amount actually provided by the State Government is not known. It may be stated that the Water Supply and Sanitation Programme is a Centrally-Aided Scheme for which necessary provision has to be made in the State Plans. It is primarily for the State Governments to make suitable provision for rural water supply schemes in their Plans. Central assistance is admissible on the basis of 50 per cent grants-in-aid.