

Bank of India. As reported by the bank, the *modus operandi* of the fraud was that some of the cheques drawn by a travel agency in favour of a certain party when returned unpaid from clearing, were being retained by the Clearing Department instead of being returned to the party. In order to balance the clearing, fraudulent debits used to be passed to other local branches. The bank has further reported that the aggregate amount of cheques still remaining unpaid and covered by the fraudulent operation is about Rs. 2.98 lakhs.

The matter has been handed over to the police and the police investigations are in progress. It is understood that three persons have so far been arrested by the police in connection with this fraud.

Survey Conducted by Indian Institute of Management, Ahmedabad on the Working of Indian Airlines

876. SHRI MUHAMMED SHERIFF :
SHRI BISWANARAYAN
SHASTRI :

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state :

(a) whether any survey was conducted by the Indian Institute of Management, Ahmedabad in which they have shown that Indian Airlines is suffering on account of lack of punctuality, inefficiency, neglect of passengers and lack of regard for their convenience; and

(b) if so, the steps taken by Government to improve the situation ?

THE MINISTER OF TOURISM AND CIVIL AVIATION (DR. KARAN SINGH) : (a) and (b). An opinion survey was conducted as a research project by the Indian Institute of Management, Ahmedabad, on its own volition at a period when Indian Airlines was having

considerable labour problems. It has brought out good as well as weak points and the Corporation is taking action to set right the deficiencies where possible.

Financial Relations with States

877 SHRI DASARATHA DEB : Will the Minister of FINANCE be pleased to state :

(a) whether he had discussions with the State Chief Ministers about the Centre-State financial problems on the 13th and 14th October, 1971;

(b) if so, the main points discussed; and

(c) the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH) . (a) to (c). The discussions held with the Governors/Chief Ministers of certain States on the 13th and 14th October, 1971 related to the problem of overdrafts of those States on the Reserve Bank of India. The Governors/Chief Ministers shared the concern of the Government of India over the overdrafts and agreed that steps would need to be taken, including economy in expenditure and additional resource mobilization, to reduce the overdrafts.

Deficit Financing

878. SHRI P VENKATASUBBAIAH :
SHRI C. T. DHANDAPANI :

Will the Minister of FINANCE be pleased to state :

(a) whether the deficit financing in the current financial year is going to touch an unprecedented level;

(b) if so, the extent thereof and the factors that are responsible for the same; and

(c) how it is proposed to meet the situation ?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) : (a) and (b). Subsequent to the presentation of Budget which left an uncovered deficit of Rs. 232 crores a supplementary grant of Rs. 200 crores was obtained to meet the additional expenditure on refugees from Bangla Desh upto the end of December, 1971. Rs. 50 crores of this additional expenditure was to be covered by additional foreign assistance towards refugee expenditure. The influx of refugees is still continuing. Moreover, assistance to States towards expenditure on account of natural calamities will also be larger than estimated. On the other hand, receipts, both revenue and capital, are likely to be larger than postulated in the Budget. As a combined result, the budgetary deficit for the current year may be more than the budgeted figures. But it is not possible at this stage to indicate the likely extent of this deficit.

(c) Certain measures have already been initiated for raising additional resources, increasing revenue and effecting economies in expenditure wherever possible. The over-all situation is being kept under review.

Seaking Helicopters Sold to India

879. **SHRI P. VENKATASUBBAIAH :**
SRI BANAMALI PATNAIK :

Will the Minister of DEFENCE be pleased to state :

(a) whether his attention has been drawn to the report in the "Sunday Telegraph" dated the 29th August, 1971 also reported in the "Statesman" dated

the 30th August, 1971 stating the concern of the British Ministry of Defence over the likelihood of the secrets of the Seaking Helicopters sold to India, which are known to have a combined sooner detection and automatic flight control system, reputed to be ten years ahead of what the Russians have, falling into the Russians hands in view of the Indo-Soviet treaty;

(b) if so, the reaction of Government thereto; and

(c) whether any communication has been received from the U. K. Government in this regard and if so, the particulars thereof ?

THE MINISTER OF DEFENCE (SHRI JAGJIVAN RAM) : (a) Yes, Sir.

(b) and (c). Any classified information cannot be divulged. There is no evidence of any such concern having been voiced by British Government.

Financial Assistance to U P., Bihar and West Bengal

880. **SHRI S. M. BANERJEE :** Will the Minister of FINANCE be pleased to state :

(a) the financial assistance given to Bihar, West Bengal and Uttar Pradesh for flood relief ;

(b) whether the chief Minister of Uttar Pradesh has requested for Rs. 110 crores ;

(c) if so, whether his request has been met in full; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH) : (a) The ceilings of expenditure on flood relief measures adopted for