

out of the lump-sum allocation of Rs. 262 crores made in the Fourth Plan for new fertilizer projects.

A letter of intent has also been issued by Government to a private party for the establishment of a coal-based fertilizer plant at Kamptee (near Nagpur). The details of the project are awaited from the party.

Overdrafts by States

986 SHRI HARI KISHORE SINGH
SHRI SHANKER DAYAL
SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether some States have made overdrafts on the Reserve Bank of India during June and September, 1971;

(b) if so, the names of such States and amount of overdrafts made by them, and

(c) Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH) : (a) and (b). The overdrafts of the States towards the end of June 1971 were cleared by the Government of India by advance release of States' share of Central taxes and duties and Central assistance payable in July 1971 and by sanctioning ways and means advances. Some States have again run into overdrafts. A statement showing the overdrafts of the States on the 30th September, 1971 is laid on the Table of the House.

(c) Discussions have recently been held with the Governors/Chief Ministers of the States having overdrafts 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.

STATEMENT

Overdrafts of States on the 30th September, 1971

	(Rs. crores)
1. Andhra Pradesh	37.42
2. Assam	14.21
3. Bihar	7.49
4. Kerala	21.43
5. Mysore	28.55
6. Rajasthan	22.35
7. Tamil Nadu	32.88
8. West Bengal	3.68
TOTAL	168.01

Effect on the Outlay of Plan due to Financial Stringency

987. SHRI SHYAMNANDAN MISHRA : Will the Minister of FINANCE be pleased to state :

(a) whether he had informed the Consultative Committee of the Ministry of Finance at its last meeting that the outlay on Plan might be effected because of financial stringency; and

(b) if so, whether his Ministry has asked the Planning Commission to examine the matter ?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) : (a) and (b). In the Consultative Committee meeting of the Finance Ministry held last month, I had clarified that in view of the substantial expenditure on refugees from Bangla Desh, measures were being taken to effect 5% cut in non-Plan and non-essential expenditure. I had also emphasised that steps had been