

Against this background of good work done by the ONGC, I would like to announce another good oil discovery made by ONGC in the off-shore areas. On the basis of seismic surveys conducted previously, several independent structures were delineated off the Western Coast. One such structure is located about 70 km west of Bassein. In the light of the optimistic interpretation given by the ONGC's geo-scientists about this structure and some others, a programme for off-shore exploratory drilling was discussed at a two-day conference in the first week of February, 1976. As a result of these deliberations, ONGC launched a programme of simultaneous drilling at Bassein structure and at another structure 90 km south of Diu. The drilling was commenced on the Bassein structure on the 11th February, 1976 and the well has been projected to a depth of 2300 metres. After drilling about 1714 metres, a 71 metre thick lime-stone section containing oil and gas has been encountered. The preliminary testing could only be of a short duration but it indicated good production characteristics. A more precise estimate of the potential of this structure can be had after the well is drilled to the projected depth and the conventional production test completed. However, I dare say that the discovery is of very great significance and the oil is of good quality. The drilling has been resumed and is likely to be completed during the course of the next few days. In order to get a quick idea of the potential of the Bassein structure as well as the prospects of the neighbouring area, a programme has been chalked out for commencing exploration and appraisal drilling without losing any time. The exploratory-cum-assessment drilling will be completed by October, 1976. This new discovery of oil at Bassein would take us one more step towards the goal of self-sufficiency in oil.

12.44 hrs.

#### NAGALAND BUDGET, 1976-77

MR. SPEAKER: Shrimati Sushila Rohatgi will present the Nagaland Budget.

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): Sir, the House is aware that the State of Nagaland is under the President's Rule with effect from 22nd March, 1975 and under the Presidential Proclamation issued under Article 356 of the Constitution, the powers of the State Legislature are exercisable by or under the authority of the Parliament.

MR. SPEAKER: You may lay it on the Table.

SHRIMATI SUSHILA ROHATGI: Sir, I lay it on the Table.

#### BUDGET FOR 1976-77 OF THE GOVERNMENT OF NAGALAND

The House is aware that the State of Nagaland is under the President's Rule with effect from 22nd March, 1975 and under the Presidential Proclamation issued under Article 356 of the Constitution, the powers of the State Legislature are exercisable by or under the authority of the Parliament. Accordingly, with your permission Sir, I lay before the House the Annual Financial Statement of the Government of Nagaland for the financial year commencing from 1st April 1976. The Explanatory Memorandum and the Demands for Grants are also being circulated to the Honourable Members.

#### Revised Estimates 1975-76

The Budget of the Government of Nagaland for the current financial year, presented to and approved by the House, assumed Revenue Receipts at Rs. 45.22 crores including Rs. 39.10 crores as grants-in-aid from the Central Government. Revenue Receipts

[Shrimati Sushila Rohatgi]

in the current year including grants-in-aid from the Central Government, are now estimated to be Rs. 44.32 crores. Expenditure on Revenue Account, originally estimated at Rs. 41.32 crores will now be Rs. 41.02 crores resulting in a surplus of Rs. 3.30 crores in the Revenue Account against Rs. 3.90 crores anticipated in the original Budget for the year. The transactions on Capital Account in the Consolidated Fund and the Public Account are now expected to result in a deficit of Rs. 5.70 crores against the deficit of Rs. 6.91 crores originally estimated. Thus, the overall deficit of the current year would be Rs. 2.40 crores, which will be met by drawing down the opening cash balance of that amount.

#### *Budget Estimates 1976-77*

Receipts on Revenue Account are estimated at Rs 50.12 crores, including grants-in-aid of Rs. 42.83 crores from the Central Government. The expenditure on Revenue Account is estimated at Rs 44.47 crores, leaving a surplus of Rs. 5.65 crores. Disbursements on Capital Account are estimated at Rs. 13.74 crores against the estimated receipts of Rs. 6.45 crores, including market loans and loans from the Central Government, leaving a deficit of Rs. 7.29 crores on Capital Account. With a surplus of Rs. 1.34 crores in the Public Account, the year is expected to close with an overall deficit of Rs. 30 lakhs. The State Government might have to raise additional resources during the year to cover this deficit.

#### *Plan Outlay in 1976-77*

The Budget of State Government for 1975-76 envisaged a Plan outlay of Rs. 15.24 crores. On the basis of latest estimates an outlay of Rs. 15.36 crores on Plan is anticipated during the current financial year. The Budget for 1976-77 contemplates a higher State

Plan outlay of Rs. 17.70 crores, comprising Rs. 7.94 crores on Revenue Account and Rs. 9.76 crores on Capital Account. A sectoral distribution of the contemplated Plan outlay in 1976-77 is given in the Annexure to the Explanatory Memorandum which is being circulated along with other Budget documents. In addition, the estimates for 1976-77 include Rs. 3.97 crores, comprising Rs. 2.11 crores on Revenue Account and Rs. 1.86 crores on Capital Account, for expenditure on Central and Centrally sponsored Plan schemes. This includes an amount of Rs. 0.84 crores for schemes of the North Eastern Council. The estimates for 1976-77 also include a provision of Rs. 1.96 crores for improvement of roads through the Border Roads Organisation.

I may make here a brief review of the progress of Plan schemes in Nagaland. Intensive agricultural practices have been introduced in Nagaland on a systematic basis to achieve higher food production. Necessary physical inputs have been put into use over the past few years. As a result of greater emphasis on high yielding variety programme and such other quick-yielding schemes the original Fifth Plan target for food production is expected to be exceeded. In spite of all these, the State will have to import food-grains for some years to meet the requirements of town-dwellers and security forces. Agricultural Research was almost non-existent in Nagaland. It is a happy augury that the Indian Council of Agricultural Research has set up a few research centres and stations in Nagaland as a part of their Research Complex for the entire North Eastern Region.

Intensive piggery, poultry and cattle development programme have been started in the State. Side by side, veterinary aid facilities have been expanded to cover interior areas. Under Small and Marginal Farmers' Development programme, intensive piggery development programme in 7

districts and one Milk Production Scheme are being started.

Forest plantation works have been progressing both for economic plantation as also for farm forestry. A sum of Rs. 2.50 crores has been allotted within the outlay for 1976-77 for purchase of about 70 square miles of forest area growing bamboo and other pulpable species for assured supply of raw materials to the paper mill when it goes into production.

The Co-operative Department is seriously taking up revitalisation of the weak societies, so as to be able to cater to the needs of the rural and weaker sections under the 20 point economic programme. The youth and students are also being benefited through these efforts.

Under the industrial undertakings, the Sugar Mill in Dimapur has made substantial improvement in its working over the last year. The Distillery project is expected to be commissioned in the beginning of April 1976 and the Paper and Pulp Mill at Tuhi is expected to go into production towards the end of 1977. The work on the Plywood Factory is progressing according to schedule.

Nagaland being a State consisting mostly of difficult hilly terrain, utmost importance has been given to road communication which accounts for the largest outlay under the Plan. The emphasis is on the completion of important spill-over works and linking of villages under the Minimum Needs Programme.

Under Power Development, the Dzuza Hydro Electric scheme near Kohima with an installed capacity of 1500 Kw. is likely to be commissioned in a few months. Electrification of villages is progressing satisfactorily.

Under the Social Services Sector, the improvement of educational and medical facilities in the rural areas has given priority. In case of water

supply schemes, the efforts have been directed towards completion of as many schemes as possible, specially for the rural water supply.

#### *Twenty Point Economic Programme*

The 20-point Economic Programme announced by the Prime Minister has been whole heartedly welcomed by the people of Nagaland.

Branches of the Nagaland State Co-operative Bank have been started in the rural areas to extend credit to the farmers and Marketing Societies have been asked to purchase their surplus produce. The minimum agricultural wages have been raised from Rs 4 to Rs 6 per day. Plans have been drawn up, and arrangements have been made for stepping up the agricultural production in the State.

As far as the student community is concerned, they are being given adequate scholarships and stipends. Co-operative Societies have been organised in hostels to provide essential commodities at controlled prices. The Government itself arranges rice, sugar, atta, cloth, salt, etc., to these co-operative societies. Arrangements have also been made to print text books and make them available to the students at cheap rates.

The Government has been vigilant in regard to the price situation and has taken steps to bring down the prices of essential commodities.

#### *Law and Order*

In the end, I come to the present situation in Nagaland. As the House is aware, following large scale defections in the Nagaland Legislative Assembly and the inability of any political party to constitute a stable Government, Article 356 of the Constitution had to be invoked and the President's Rule was imposed in Nagaland with effect from 22.3.1976. As instability continued, the recommendations of the Governor were

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accepted and the Legislative Assembly was dissolved on 20-5-1975.

It is gratifying to note that the end of an era of conflict and confrontation is in sight in Nagaland. Talks were held between the Governor of Nagaland, representing the Government of India and the representatives of the underground and an agreement was signed at Shillong on the 11th November, 1975. Under this agreement the underground conveyed their decision, on their own volition, to accept without condition, the Constitution of India to bring out and deposit the arms held by them. The Government of India agreed to allow time to the underground to formulate issues which they may like to discuss subsequently. The implementation of the Accord reached at Shillong on the 11th November, 1975 is progressing satisfactorily.

12.45 hrs

#### PONDICHERRY BUDGET, 1976-77

MR. SPEAKER: It may be laid on the table.

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): I lay on the Table a statement showing estimated receipts and expenditure of the Union Territory of Pondicherry for the year 1976-77.

#### BUDGET OF THE UNION TERRITORY OF PONDICHERRY FOR 1976-77

As the House is aware, the Union Territory of Pondicherry has been under President's Rule since the 28th March, 1974. Accordingly, with your permission Sir, I lay before the House, as required under Section 27 of the Government of Union Territories Act, 1963, the Annual Financial Statement of the Union Territory of Pondicherry for the financial year commencing from 1st April, 1976. The Explanatory Memorandum and the Demands for Grants for the year

1976-77 are also being circulated to the Honourable Members.

#### Revised Estimates 1975-76

2. In the Budget of the Union Territory for the current financial year, receipts on Revenue Account were estimated at Rs. 15.34 crores, including Grants-in-aid of Rs. 5.39 crores from the Government of India. As a result of revision of electricity tariff and also due to buoyancy in revenue collections, it is anticipated that Revenue Receipts in the current year will go up to Rs. 15.99 crores, including Grants-in-aid of Rs. 5.27 crores from the Government of India. There will be an increase of Rs. 1.68 crores in Revenue expenditure over and above Rs 15.34 crores originally estimated. The increase is mainly due to grant of additional dearness allowance, payment of arrears of salaries in the revised scales of pay, payment of arrears of increase in pensions sanctioned to ex-French pensioners from 1-1-1973 and payment of surcharge levied by Tamil Nadu on electricity supplied to the Union Territory. On Capital Account, both Receipts and Disbursements are estimated to be more by Rs 27.53 lakhs.

#### Budget Estimates 1976-77

3. Revenue receipts in the next year are estimated at Rs 10.44 crores as against expenditure of Rs 18.32 crores. The deficit of Rs. 7.88 crores will be met by Grants-in-aid from the Government of India. Receipts on Capital Account by way of recoveries of loans are estimated at Rs 43 lakhs, while disbursements on Capital Account, including Rs. 92 lakhs by way of repayment of loans to the Central Government are estimated at Rs. 4.12 crores. The deficit of Rs. 3.69 crores will be met by loans from the Government of India.

#### Plan Outlay

4. The Plan outlay as envisaged in the Budget for 1975-76 was Rs. 5.14 crores. The Plan outlay for the current year has now been enhanced to