

In addition, we have five non-officials who have been selected for their personal knowledge of tourism. One is Shri Ajit Kedkar who is, at present, the President of the Federation of Hotel, and Restaurant Associations of India; the other is Shri Ramesh Thapar, the former Chairman of the India Tourism Development Corporation; then Shri Inder Sharma who is a leading travel agent; Shri Som Banegal who is in advertising and Shri Patwant Singh who is in designing.

We have chosen these five non-officials to try and bring in a broad spectrum of expertise and new ideas in the functioning of the Tourism Board.

SHRI RAMSHEKHAR PRASAD SINGH: From the list, it appears there are experts on the Board. May I know from the Government whether there is any proposal with them to have some M. Ps. or other persons who can give you ideas and experience of travelling public and tourism in various parts of the country?

DR. KARAN SINGH: As the House is aware, there is the Consultative Committee attached to my Ministry in which the M. Ps. are fully involved. There are 40 M. Ps. in that Committee. Then, there is the Tourism Development Council which is a much bigger body and in which all the States are represented. There are nine M. Ps. on that body. This Board is really a compact body consisting of persons who are directly connected with the development of tourism either officially or unofficially. Therefore, we thought it is better to keep a small compact body.

DR. RANEN SEN: Is it a fact that there are State Government tourist agencies in almost every State and that there is no proper coordination between the Tourism Board and the State Government tourist agencies so much so that they

are at logger-heads sometimes and, if so, what steps the Government propose to take to rectify this state of affairs?

DR. KARAN SINGH: The question of being at loggerheads does not arise. The National Tourism Board has come into being hardly a couple of months ago. The coordination would be with the states. As I mentioned, there is another much bigger body called the Tourism Development Council on which every State Minister of Tourism is represented and there are also M. Ps. on that. So, the coordination is always done there. There is no question of any conflict between the two bodies. They serve entirely different purposes.

Grant of Additional Loan to Mysore

*91. **SHRI PAMPAN GOWDA:**
SHRI C. K. JAFFER SHARIEF:

Will the Minister of FINANCE be pleased to state:

(a) whether the Central Government assured the Mysore Government to grant additional loan of Rs. 105 crores to meet their requirements for the current plan;

(b) whether the said amount has been reduced by Government; and

(c) if so, the reasons therefore and the extent of reduction?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN). (a) to (c). According to the assessment made by the Planning Commission at the beginning of the Fourth Plan period, Mysore was expected to have a gap in resources totalling Rs. 105.72 crores, Rs. 60.50 crores on plan account and Rs. 45.22 crores on non-Plan account. The quantum of special accommodation to be given to the state Government was to be determined each year after taking into account the recommendations of the Fifth Finance Commission and the assessment of the Planning

Commission in regard to unavoidable non-Plan Commitments, the scope of economies in non-Plan expenditure, the efforts made to improve revenue and tax collections and mobilisation of other normal budgetary resources,

The latest assessment made by the Planning Commission indicates that while the Government of Mysore would be eligible to receive Rs. 60.50 crores as special accommodation for the State Fourth Plan, they would now not be entitled to special accommodation on non-Plan account.

SHRI PAMPAN GOWDA : At the beginning of the Fourth Plan Mysore was given special accommodation, covering both Plan and non-Plan items, of Rs. 105 crores. Now the Government of India has changed its policy or view and is saying that Mysore is not entitled to non-Plan items amounting to Rs. 45 crores. May I know the reason for this change?

SHRI YESHWANTRAO CHAVAN : As I have explained, after the reappraisal of the Plan it was found that non-Plan expenditure was, really speaking there; it was explained by two major items: one, of dearness allowance to the State Government employees which may be justifiable as far as they are concerned, and the other, the expenditure on Cauvery which is a matter under dispute. It was on the reappraisal of the Plan that it was found that there was no non-Plan gap which entitled special grant from the Government of India. That was the Planning Commission's assessment and on that basis this was done.

SHRI B. V. NAIK : What would be the effect of Centre taking up the entire financial responsibility of Rs. 175 crores of Kali hydro-electric project? Would it not ease the situation of the finances of the Government of Mysore?

SHRI YESHWANTRAO CHAVAN : It should certainly ease the financial position of the Government of Mysore.

MR. SPEAKER : Dr. V. K. R. V. RAO-

SHRI B. V. NAIK : Reply is still to due to my question, Sir. My question was this. Now that the entire expenditure in respect of Kali hydro electric project is to be borne by the Centre and it has to be a completely Central project with no commitment of the Mysore State Government, would this alleviate the financial distress of the Government of Mysore which is chronically in financial distress?

SHRI YESHWANTRAO CHAVAN : Really speaking, this is not going to be a Central project as such, but we certainly say that we will take the responsibility by giving loans for the scheme. Naturally this concession would ease the difficulties, if at all there are any, in the Mysore budget. That is what I said.

DR. V. K. R. VARADARAJA RAO : The Finance Minister has stated that the Central Government, on the advice of the Planning Commission, has seen fit not to grant Rs. 45.00 crores of non-Plan expenditure. I take it from what the Finance Minister said that both the items of expenditure, namely, the Cauvery expenditure and the expenditure of dearness allowance, are expenditures which are inevitable in the context of the political and economic compulsions facing the Mysore Government....

AN HON. MEMBER : Karnataka.

DR. V. K. R. VARADARAJA RAO : I stand corrected—the Government of Karnataka. If these expenditures are inevitable, am I to understand from the Finance Minister, first, whether the Planning Commission, also found that the State

had resources to meet this non-Plan gap without affecting its programmes for the planned economic development of the State? This is my first question and if I may ask a second question (*Interruption*)

SHRI SAT PAL KAPUR He is a new Member, Sir

DR V K R VARADARAJA RAO
I am always a new Member

MR SPEAKER Would you have replied to a second question when you were a Minister?

DR V K R VARADARAJA RAO
He has not got that freedom of a Member

SHRI YESHWANTRAO CHAVAN
Second part of the question

DR V K R VARADARAJA RAO
Yes, as a second part of the same question—Sir it is good for a professor to educate so many students—I wanted to ask I was under the impression that when the Prime Minister announced the special accommodation of Rs 105 crores, that was not so much on the basis of a detailed examination of all these deficits that the Finance Minister has talked about but was a kind of compensation for the injustice that Mysore now Karnataka, had suffered at the hands of the Fifth Finance Commission, so much so, that it was the only State which got less money from the Finance Commission

MR SPEAKER I need not remind you that you are asking a question

SHRI YESHWANTRAO CHAVAN
I would like to answer the second part of his question first It is about whether the Prime Minister had made any commitment of any specific amount Certainly, in the

beginning as it was felt that the Fifth Finance Commission has not taken into consideration all the problems of Mysore, therefore, indication was given that if there is any gap between non-Plan expenditure and Plan expenditure, that will be done But, at the same time, in 1970, in the Parliament, both by the Prime Minister and the former State Minister during discussions on the Budget in March-April, 1970, these criteria were laid down I would like Dr Rao to take into account the criteria laid down

- (a) The reasonableness of the requirements of the Plan outlay for each State
- (b) The Impact of devolution under the recommendations of the Finance Commission
- (c) The benefit that each State is likely to get as a result of the additional resources mobilisation of the Centre
- (d) The position of the State Governments on capital account including the debt repayment liability of past loans, and
- (e) The efforts made by the State Governments to mobilise and conserve their own resources

These are the criteria and when all these questions were taken into account at the time of the mid appraisal of the Plan it was found out that these were the two reasons which explained the non-Plan gap of the Mysore Government These are the two major items

Now whether there were political compulsions or not, is a different matter.

DR V K R VARADARAJA RAO
Economic compulsions

SHRI YESHWANTRAO CHAVAN : Even it may be. Whatever political compulsions they may be, sometime they become economic compulsions and economic compulsion is always a political compulsion. It is true. But the point is : this sort of compulsions existed in each State. We cannot say that this was only peculiar to Mysore State. The question of giving additional dearness allowance and the commitments to be made for that are an all India problem. That will have to be considered, examined ; even sympathetically it has to be examined in the context of the national problem as such.

It will be done, I am sure, because the terms of reference of the Sixth Finance Commission includes this question.

Now, the other major item was about the Kaveri project. You know the political complications of that. Naturally, the Planning Commission could not undertake sanction of this expenditure.

So, these are the two important items which, at the time of the reappraisal of the Plan were considered to be non-Plan gap which does not entitle any special grant from the Government. But, at the same time, we have taken account the problems of Mysore Government and already myself and the then Planning Minister, Mr. Subramaniam, had a series of discussions with the new Finance Minister and the Chief Minister and we try to understand their problems as sympathetically as possible, and try to find out the way. Whatever, Central assistance, special assistance meant for this year—it was coming to about Rs. 10 crores or so, and it was raised to more than Rs. 11 crores or so and again, the additional overdraft which was beyond the ceiling was treated with some sort of a special concession.

WRITTEN ANSWERS TO QUESTIONS

Revision of agreement with Foreign Oil Companies

*81. **SHRI SARJOO PANDEY :** Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether the question of revising the existing Refinery Agreements with the foreign Oil Companies in India has been examined by Government;

(b) if so, the decisions taken by Government in the matter; and

(c) the concrete steps taken in pursuance of these decisions?

THE MINISTER OF LAW AND JUSTICE AND PETROLEUM AND CHEMICALS (SHRI H R. GOKHALE) : (a) to (c) A very detailed study has been undertaken of the various alternatives open to the Government such as the revision of refinery agreements by negotiations, or the acquisition of majority shares in the marketing and refinery operations of the foreign oil companies etc. No decision has been taken so far.

Location of Oil Refinery at Mathura (U.P.)

*82. **SHRI BHOGENDRA JHA :**

SHRI ARJUN SETHI :

Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) Whether Government is going to set up India's biggest Oil Refinery in Mathura; and

(b) If so, the salient features of the project?

THE MINISTER OF LAW AND JUSTICE AND PETROLEUM AND CHEMICALS (SHRI H.R. GOKHALE) : (a) Yes, Sir.