

there was any dereliction of duty in these four branches in so far as they could find out from the internal inquiry.

Secondly, when does the Minister expect the Police investigation to be completed? It should not be allowed to linger for a long time.

SHRI YESHWANTRAO CHAVAN: As the Police investigation is already going on, I cannot and I should not give any final views in the matter. From the internal inquiries I have made for my purpose so far, subject to what I have already said, I can say that no lacuna in the security system or the locking system has been reported.

SHRI C. T. DHANDAPANI: As far as the locker systems in the banks is concerned, the lockers are being kept inside the vault, that is, the main vault and after that, there is another one which is meant for currencies and other coins. I would like to know whether the Government has issued any specific instructions in view of these incidents to the other branches of the banks to take preventive measures and as to what procedures and safety measures to be followed by the banks.

SHRI YESHWANTRAO CHAVAN: Every Bank has got its own procedures and rules about this matter and even in cases where these things are reported, there is nothing wrong as far as the rules are concerned and the report that I have received from my internal inquiry says that these rules have been very strictly followed. There is no question of the Government giving any instructions about it. The instructions have been given by the banks themselves and these are strictly followed.

SHRI SHANKERRAO SAVANT: It is alleged that thefts have taken place in four different banks. I want to know whether the *modus operandi* of these thefts is the same or different in each case.

SHRI YESHWANTRAO CHAVAN: As a matter of fact it has not been found out yet whether really speaking some defaults have taken place, or not and therefore

there is no question of finding out *modus operandi*. The Police investigation is still going on and therefore I am not able to say anything more just now.

SHRI B. R. SHUKLA: What is the total extent of the loss suffered by the depositors by these activities?

SHRI YESHWANTRAO CHAVAN: As I said, this is being enquired into. This is precisely the matter for the enquiry which is going on whether loss has taken place or not is something which has not yet been settled. Therefore this enquiry is going on.

Deficit Financing

*89. **SHRI P. G. MAVALANKAR:** Will the Minister of FINANCE be pleased to state:

(a) whether deficit financing is mounting and is going on unchecked;

(b) the total amount of such deficit financing during the current year; and

(c) whether Government propose to check and even reduce such deficit financing during the remaining part of the year?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN): (a) and (b). Central Government's budgetary deficit upto the end of October, 1973 amounted to Rs. 541 crores as against Rs. 434 crores in the corresponding period last year. The high level of deficit this year is due to unanticipated and urgent demands of inescapable nature like assistance to States affected by acute drought conditions and floods to meet relief expenditure, payments, for food imports yet to be reimbursed by the Food Corporation as also to shortfall in Railway earnings.

(c). A series of measures have been taken to reduce the level of deficit. These include (1) reduction in Government expenditure by nearly Rs. 400 crores by effecting economies in non-Plan and Plan expenditures; (2) closure of relief works

started in 1972 in drought affected areas and reimposition of financial ceilings on relief works undertaken by States affected by drought/floods this year; (3) raising of issue prices of rice, coarse grains and wheat to bring down the quantum of subsidy payable to the Food Corporation; and (4) increase in the rate of excise duty on motor spirit and kerosene. Steps are also being taken to intensify Small Savings collections and raise the target for the market borrowing programme for the year.

SHRI P. G. MAVALANKAR: The hon. Finance Minister has admitted in part (a) of his answer that deficit financing has already reached a very high level and in seven months it has gone up to Rs. 541 crores. I would like to know in terms of the steps that he has already outlined in part (c) of the question whether the Government's plan of expenditure-reduction is going on according to the expectations of the Government. Secondly, with regard to relief works, may I know whether the Government are not including such relief works as were nearing completion, otherwise, for want of necessary additional amounts, all the money that were already spent on those measures would be lost? In other words, would not Government see to it that in order to decrease the deficit financing they will not sabotage certain relief measures which have been almost completed but lingering behind for shortage of funds.

SHRI YESHWANTRAO CHAVAN: His question is whether the economy plan that is contemplated is going on according to the schedule or according to the plans. We are making efforts to do that. It is a wide area and this has to be kept in mind. To his specific question, I would say, yes, it is going on according to plan. We will have to watch it closely from time to time.

SHRI P. G. MAVALANKAR: What is the concrete amount saved? In seven months you have made a deficit of Rs. 541 crores.

SHRI YESHWANTRAO CHAVAN: Economy drive is going on according to our plan. The second point was whether we have stopped drought expenditure in respect of the States. And he wanted to know what effect it was going to have on the developmental activities that were undertaken in the States concerned. When we stop payment on the drought expenditure, naturally, it is going to have effect on the works undertaken by them. My advice to the States would be that they will have to make all these works which are yet to be completed a part of their normal Plan. That is the only solution to this.

SHRI P. G. MAVALANKAR: The hon. Minister has mentioned in the final part of his answer to part (c) of the main question increase in the rate of excise duty on motor spirit and kerosene. May I know whether Government are aware of the fact that by this very excise duty they have let loose further spirals of inflation and rising prices which would defeat the purpose for which they were meant and they would also lead to increased taxation? So, how will this help?

SHRI YESHWANTRAO CHAVAN: This is a matter of opinion.

SHRI P. G. MAVALANKAR: I do not want the opinion of the Government but I want information from the Government.

SHRI YESHWANTRAO CHAVAN: I said that that was possibly his opinion. I do not need to entertain the same opinion.

SHRI P. G. MAVALANKAR: I am not entering into any argument with regard to opinion, but I want information.

SHRI YESHWANTRAO CHAVAN: The information is that we have raised these resources and they are going to help us to reduce the deficit. This is the information that I have given.

SHRI P. G. MAVALANKAR: Will it not lead to further taxation and further inflation?

SHRI YESHWANTRAO CHAVAN:
This is a matter of inference.

SHRI ANNASAHEB GOTKHINDE:
Among the steps taken to reduce deficit financing, closure of relief works in the drought-affected areas is one of the steps mentioned. May I know whether at least those works which are productive in nature would be given necessary assistance from the Centre?

MR. SPEAKER: That was what had been asked earlier by the other hon. Member and replied to.

SHRI ANNASAHEB GOTKHINDE:
I am referring to incomplete works of a productive nature only.

SHRI VASANT SATHE: He has said that they should be included in the Plan.

MR. SPEAKER: The hon. Minister has already answered the question. I have no objection if he is prepared to repeat his answer.

SHRI P. VENKATASUBBAIAH: May I know whether some of the steps that he is going to take in order to bring down deficit financing, like the rise in the issue price of rice will not defeat the very purpose for which he is intending to bring down the deficit financing in the country, and whether he is taking steps simultaneously for production-oriented programmes to offset the effects of this deficit financing?

SHRI YESHWANTRAO CHAVAN:
I quite see his points. The same point had been raised earlier by Shri Mavalankar.

MR. SPEAKER: His question was limited to the excise duty on petrol. But the hon Member's question now is in a more general context.

SHRI YESHWANTRAO CHAVAN:
It is true that it will have some effect on the prices, and there is no doubt about it. But this is the position that whatever you do, it will have something to be said against it. But one has to see certain compulsions of the situation. I

do not think that there was any other alternative but to increase the prices. When we increase the procurement price and when there is likely to be increase of the subsidy involved in the matter, it is natural to think in terms of raising the issue prices to a certain extent.

SHRI P. M. MEHTA: Do Government envisage or expect any expenditure during the remaining period of the financial year which may exceed the estimated deficit?

SHRI YESHWANTRAO CHAVAN:
I wish that there is no such expenditure. This is all that I can say. But at the present moment, I do not expect it.

Plot to Hijack Indian airlines plane to Pakistan in October, 1973

*91. **SHRI RAMSHEKHAR PRASAD SINGH:**

SHRI P. M. MEHTA:

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

(a) whether a plot to hijack an Indian Airlines plane to Pakistan was unearthed in Srinagar in October, 1973;

(b) if so, the facts of the incident; and

(c) whether any persons have been arrested in this connection and if so, the action taken against them?

THE MINISTER OF COMMUNICATIONS AND TOURISM AND CIVIL AVIATION (SHRI RAJ BAHADUR):

(a) No, Sir.

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

श्री रामशेखर प्रसाद सिंह : अध्यक्ष महोदय, मंत्री महोदय ने जो उत्तर दिया है वह बहुत अच्छा है और उसके ऊपर कोई सप्लीमेंटरी भी नहीं हो सकता है लेकिन मैं एक साधारण ढंग की बात पूछना चाहता हूँ कि बायुयानों के अपहरण की घटनायें पिछले