

**Proposed Demonetisation of currency**

\*446. **SHRIMATI SAVITRI SHYAM**: Will the Minister of FINANCE be pleased to state:

(a) Whether Government are considering any proposal to demonetise currency in the country,

(b) if so, the denomination of currency which will be demonetised and the reasons therefor;

(c) the extent to which such a demonetisation will affect the internal and international trade; and

(d) the time by which the scheme is proposed to be implemented?

**THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN)**: (a) There is no such proposal under consideration.

(b) to (d). Do not arise.

**Completion of Fertilizer Project at Mangalore (Mysore)**

\*447. **SHRI K.M. MADHUKAR**: Will the Minister of PETROLEUM AND CHEMICALS be pleased to state:

(a) whether all preliminaries for the establishment of Rs. 52—crore Fertiliser Project Mangalore (Mysore) are proceeding according to schedule to commission the project in early 1974;

(b) if so, the progress made so far;

(c) whether some difficulties have arisen in the matter of foreign exchange credit and for the release of the foreign exchange; and

(d) if so, the nature thereof and action taken by Government to overcome these difficulties?

**THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI P.C. SETHI)**:

(a) The preliminaries for the establishment of the Rs. 51 crore Mangalore Fertilizer Project are still being worked out and it is not possible to give a definite date at this stage for the commissioning of the plant unless all the formalities have been completed.

(b) to (d). About 315 acre of land are stated to have been acquired for the project and test bore drilling and contour survey of land have also been done. The Company have concluded fresh agreements with foreign firms for design engineering and supply of plant and machinery for ammonia and urea plants. The preliminary engineering agreements of the party have been approved by the Government and foreign exchange equivalent of £ 75,000/—released. Other agreements are presently under consideration. Discussions are also being held with the U.K. authorities for allocation of U.K. credit for meeting the foreign exchange cost of the project.

**Arrest of air force Officer at Gauhati for passing secret news to Pakistan**

\*448. **SHRI HARI KISHORE SINGH**:  
**SHRI BIRENDER SINGH RAO**:

Will the Minister of DEFENCE be pleased to refer to the reply given to Starred Question No. 430 on the 14th June, 1971 regarding the arrest of an Air Force Officer at Gauhati for passing, secret news to Pakistan and state whether the matter has since been investigated and, if so, the nature of action taken or proposed to be taken by Government against the person concerned?

**THE MINISTER OF DEFENCE (SHRI JAGJIVAN RAM)**: The matter is still under investigation.

**Review of fiscal Policies in Regard to Stagnation in the Industrial economy**

\*449. **SHRI S.R. DAMANI**: Will the Minister of FINANCE be pleased to state:

(a) whether Government have called for a review of the recent fiscal policies to see as to what extent they are responsible

for the present stagnation in the industrial economy; and

(b) in what manner they wish to give a push to this sector?

**THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN)** (a) and (b). The Government keeps under constant review the fiscal as well as other policies which affect industrial production in the economy. The recent slackness in industrial production is attributable to a number of factors, including shortage of raw materials, capacity constraints, and the poor state of industrial relations in certain parts of the country. The Government is trying to meet the situation by arranging adequate imports of raw materials in short supply such as raw cotton, steel, soyabean oil and non-ferrous metals, extending credit facilities through term-lending and other financial institutions; stepping up the level of investment activity in the public sector; and by specific steps for taking over sick and closed down units. The licencing and credit policies are being oriented to help the small scale industrial sector and industrialisation in backward areas is being fostered through the grant of a Central subsidy and offer of financial assistance on concessional terms. Besides, an Industrial Reconstruction Corporation has been set up to help revival of industrial activity, particularly in the eastern regions of the country.

#### Imposition of Additional levies by States

\*450. **SHRI MUKHTIAR SINGH MALIK:** Will the Minister of FINANCE be pleased to state:

(a) whether any directive has been sent by the Central Government to all the State Governments for imposing additional levies to raise funds for Bangla Desh refugee relief work;

(b) if so, the nature of the directive; and

(c) the State Governments which have implemented the directive?

**THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN):** (a) and (b). At the Conference of the Govern-

ments Chief Ministers of States held on 12th October, 1971 it was agreed that additional resources should be raised both by the Centre and the States for the relief of Bangla Desh refugees by the levy of tax/duty/surcharge on certain instruments of mass circulation.

(c) Nine States namely Bihar, Gujarat, Haryana, Himachal Pradesh, Madhya Pradesh, Maharashtra, Mysore, Punjab and Uttar Pradesh have so far announced new levies for the relief of Bangla Desh refugees.

#### Increase in tourist traffic

2658. **SHRI SOMCHAND SOLANKI:** Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state the percentage of increase in tourist traffic during 1971 from U.K., U.S.A., France, West Germany and Canada in comparison with the year 1970?

**THE MINISTER OF TOURISM AND CIVIL AVIATION: (DR. KARAN SINGH):** Tourist arrivals from the U.K., U.S.A. France, West Germany and Canada during the period January-October 1971 and the corresponding period in 1970 were as follows:—

Country	Tourist Arrivals (January-October)		%Change
	1970	1971	
U.K.	33,383	32,410	-2.9
U.S.A.	49,175	47,299	-3.8
France	14,835	15,084	+1.7
West Germany	12,035	14,869	+23.5
Canada	5,855	5,877	+0.4

#### Reconstruction of Ahmedabad airport

2659. **SHRI SOMCHAND SOLANKI:** Will the Minister of Tourism and Civil Aviation be pleased to state:

(a) whether it has been decided to reconstruct the Airport at Ahmedabad in 1972; and

(b) if so, the outlay sanctioned for the purpose?