

Among the important economic measures taken, the two significant ones are: (i) replacing by a special currency in 1969 of the Indian currency notes circulating in the Persian Gulf area which provided an easy means of financing illegal gold transactions and (ii) introduction of the Gold Control.

Narmada Valley Project

*305. **Shri Indulal Yajnik:**
Shri Ramachandra Ulaka:
Shri Dhuleshwar Meena:
Shri Khagapathi Pradhan:
Shri Hirji Bhal:
Shri Shashi Bhushan:

Will the Minister of Irrigation and Power be pleased to state:

(a) the latest steps that have been taken by Government to settle the differences between the Government of Gujarat and other States concerned regarding the details of the Narmada river project as recommended by the Khosla Committee;

(b) the nature of the differences that remain to be settled between the Governments concerned;

(c) whether the Central Government have decided to implement the Narmada Valley scheme as a Central scheme along with some others, as finally settled in consultation with all State Governments concerned; and

(d) whether any practical steps have been taken by the Maharashtra Government to carry out the Jalasindhi Dam scheme without waiting for the final settlement of the dispute by the Central Government?

The Minister of Irrigation and Power (Dr. K. L. Rao): (a) and (b). After separate dispute discussions with the Chief Ministers of Gujarat, Madhya Pradesh, Maharashtra and Rajasthan at the respective State Capitals during May-June, 1966, further discussions were held by the Union Minister of Irrigation and Power at a joint meet-

ing on the 22nd August, 1966. In the intervening period, the Chief Engineers and other officers of the concerned States and the Chairman and the concerned officers of the Central Water and Power Commission and the Ministry of Irrigation and Power discussed the technical aspects. At the joint meeting of the Chief Ministers, some suggestions emerged and it was decided that these should be discussed later among the Chief Ministers concerned, particularly the Chief Ministers of Madhya Pradesh and Gujarat, to arrive at an amicable settlement of the problem. Further action will be taken to settle the issue.

(c) As the scheme has not been sanctioned as yet the question has not been considered.

(d) No.

M/s. Bird & Co.

306. **Shri A. K. Gopalan:**
Shri C. K. Chakrapani:
Shri Jyotirmoy Basu:
Shri Madhu Limaye:

Will the Minister of Finance be pleased to state:

(a) whether Government have taken any action against M/s. Bird and Co. Calcutta;

(b) if so, the nature of such during the last 5 years and the penalty imposed on the company;

(c) whether Government have received any further reports about the irregularities of the said Company; and

(d) if so, whether Government would investigate into the affairs of the Company?

The Minister of State in the Ministry of Finance (Shri K. O. Pant): (a) and (b). The nature of actions taken and penalties imposed on M/s. Bird & Co (P) Ltd., by the Customs, Income Tax and the Enforcement Directorate of the Ministry of Finance, during the last 5 years are as detailed in the Statement laid on the Table of

the House. [Placed in the Library. See No. L.T.-270/67].

(c) and (d). No fresh reports about the irregularities on the part of M/s. Bird & Co. have been received. However, as mentioned in the Statement referred to in the reply to parts (a) and (b) of the Question, investigations and scrutiny of documents already seized are being carried out by the three agencies mentioned therein.

National Policies for Prices, Wages and Dividends

*308. **Shrimati Tarkeshwari Sinha:** Will the Minister of Finance be pleased to state:

(a) whether Government's attention has been drawn to the statement made by the Governor of Reserve Bank wherein he had stated that fiscal and monetary policies had to be changed for fighting the evil of inflation in the country; and

(b) if so, the step Government propose to take to formulate national policies for prices, wages and dividends?

The Deputy Prime Minister and Minister of Finance (Shri Morarji Desai): (a) Yes, Sir.

(b) A Steering Group appointed by the Reserve Bank has recently submitted a report on "A Framework for Incomes And Prices Policy". The suggestions made in the report are under consideration of Government.

Consolidation of Banking Structure

*309. **Shri Ram Kishan Gupta:** Will the Minister of Finance be pleased to state:

(a) whether the policy of consolidation of the banking structure has been actively pursued by the Reserve Bank of India and

(b) if so, the result thereof?

The Minister of State in the Ministry of Finance (Shri K. C. Pant): (a) Yes, Sir.

(b) As a result of the policy adopted by the Reserve Bank of India the number of banks functioning has been brought down from 342 at the beginning of 1961 to 97 at the end of March 1967. The process has helped in the growth of economically viable units, thereby imparting strength and stability to the banking structure and enhancing its capacity to cater to the banking needs of the country in a more efficient manner

Promotion of Fertilizer production

*310. **Shri R. K Birla:**
Shri K. P. Singh Deo:

Will the Minister of Petroleum and Chemicals be pleased to state:

(a) the present policy of Government in regard to the promotion of fertiliser production in the country in view of the urgent need to augment food production;

(b) the Government's estimate of total production of fertilisers in the country at present and the total domestic requirement; and

(c) the steps taken to fill up the 'gap'?

The Minister of Planning, Petroleum and Chemicals and Social Welfare and Chemicals and of Social Welfare (Shri Asoka Mehta): (a) Fertilizer production in the country is proposed to be increased by the establishment of additional fertilizer factories and expansion of existing factories.

(b) During 1967-68, the production of nitrogenous fertilizers is estimated to be about 525,000 tonnes in terms of nitrogen and of phosphatic fertilizers 275,000 tonnes in terms of P₂O₅. The total domestic requirements are expected to be of the order of 1.36 million tonnes of nitrogen and 0.3 million tonnes of P₂O₅.