

taxes, duties, tolls and fees in accordance with such procedure and subject to such limits;

- (b) assign to a Panchayat such taxes, duties, tolls and fees levied and collected by the State Government for such purposes and subject to such conditions and limits;
- (c) provide for making such grants-in-aid to the Panchayats from the Consolidated Fund of the State; and
- (d) provide for constitution of such Funds for crediting all moneys received, respectively, by or on behalf of the Panchayats and also for the withdrawal of such money therefrom,

as may be specified in the law.

In pursuance to the above provisions of the Constitution, State Governments have given the powers and funds to the Panchayats to manage their affairs.

Conditions for Indo-Iran Gas Pipeline Project

†88. SHRI ABU ASIMAZMI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are reconsidering to start Indo-Iran gas pipeline project and if so, the names of the countries through which this pipe line will pass;

(b) the extent to which India will be benefited by the said project; and

(c) whether neighbouring countries have laid down any conditions for setting up the said project and if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) Yes, Sir. The proposed onland gas pipeline from Iran to India would pass through Pakistan.

(b) The import of natural gas is crucial to meeting the huge deficit in current and projected domestic demand for natural gas, without which the country's energy security would be seriously jeopardized. Globally, experience suggests that gas supplies through pipeline is cheaper and more abundant than the alternative LNG route.

(c) Discussions are at a preliminary stage and are proceeding on the

† Original notice of the question was received in Hindi.