

(b) A rise of 14.7 per cent in money supply was witnessed in 1977-78. In the financial year 1978-79, money supply recorded a larger increase of 13.1 per cent. The rise in money supply in current financial year up to June 15, 1979 was 4.9 per cent compared with a 5.1 per cent rise in the corresponding period of last year.

(c) There appears to be no direct relationship at least in the short-term, between the expansion of money supply and prices. Apart from increase in money supply, price situation is influenced by a number of other factors. Moreover, with a view to containing the growth of money supply during the current financial year, the Government and the Reserve Bank of India have already taken certain measures and further measures will be taken as and when situation demands.

Utilisation of Foreign Aid

89. SHRI CHADALAVADA VENKATARAMAO: Will the Minister of FINANCE be pleased to state:

(a) the amount of foreign aid received from different countries and through the U.N. Agencies during the last three years; and

(b) the amount spent in different States during this period, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGARWAL): (a) The total gross aid received from different countries and multi-lateral agencies, including the U.N. Agencies during 1976-77, 1977-78 and 1978-79 was Rs. 1599 crores, Rs. 1288 crores and Rs. 1266 crores respectively

(b) Foreign aid is received by the Government of India and enters the Central Pool of Resources available for the entire economy.

With a view to encouraging the State Governments to come forward

with suitable viable projects and to execute them expeditiously, the Government of India has decided to give for the Sixth Five Year Plan period (1978-83), up to 70 per cent of the aid disbursed on account of local currency expenditures each year as extra assistance for the State Plans.

Programme aid received from various sources primarily supports the imports of commodities, spares, components and capital goods. These imports are meant for use of various private and public sector units, institutions, State and Central Government agencies etc. It is difficult to segregate the imports for States as statistics of imports effected from aid is not maintained on State-wise basis.

A major portion of aid is available for specific projects pertaining to agriculture, irrigation, command area development, agricultural education and research, dairy development, rural electrification etc. These projects are spread over a number of States and form part of the Five Year Plans of State Governments. The list of projects financed by foreign aid and the details of drawal of aid etc. are given at pages 163 to 189 of Annexure—IV of the Explanatory Memorandum on the Budget of the Central Government for 1979-80, already laid on the Table of the House.

Seizure of Luxury Goods

90. DR. LOKESH CHANDRA:

SHRI BHISHMA NARAIN SINGH;

SHRI KALP NATH RAI: Will the Minister of FINANCE be pleased to state the amount of luxury goods seized by the Customs Department during the period from January to May, 1979?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGARWAL): According to reports received by Government, the Customs authorities seized, during the period from January to May, 1979, goods believed to be smuggled, of a