

(a) whether Government's attention has been drawn to an article by General Chau-dhary in Motherland of 3rd June, 1972 in which he has stated that in 1962 conflict with China even the available resources were not properly utilised; and

(b) if so, whether Government have initiated a comprehensive study of the 1962 operation to draw appropriate lessons ?

THE MINISTER OF DEFENCE (SHRI JAGJIVAN RAM) : (a) Yes, Sir.

(b) Government have not only studied the 1962 operations and drawn lessons therefrom also made use of them in subsequent operations in 1965 and 1971.

BIFURCATION OF MONOPOLIES COMMISSION

529. SHRI BALACHANDRA MENON :
SHRI YOGENDRA SHARMA :

Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) whether there is any proposal under Government's consideration to bifurcate the Monopolies Commission into two independent commissions; and

(b) if so, what are the reasons for bifurcation and what will be the functions of the proposed commissions ?

THE MINISTER OF COMPANY AFFAIRS (SHRI K. V. RAGHUNATHA REDDY) : (a) and (b) Under the M. R. T. P. Act as it stands, the Commission is a single body.

RESTRICTIONS ON OVERDRAFTS BY THE STATE GOVERNMENTS

530. SHRI PRANAB KUMAR
MUKHERJEE : SHRI RATTAN
LAL JAIN : SHRI MAN SINGH
VARMA : SHRI N. K.
SHEJWALKAR : SHRI
JAGDISHPRASAD MATHUR SHRI
D. K. PATEL : SHRI LAL K.
ADVANI : SHRI GUNANAND
THAKUR : SHRI V. R. MOHAN :
DR. K. MATHEW KURIAN :
SHRIS.C. ANGRE :

Will the Minister of FINANCE be pleased to state :

(a) whether any State Government have raised any objection to the restrictions imposed on overdrafts drawn by the States from the Reserve Bank of India, if so, the details in this regard;

(b) what is the amount of overdrafts drawn by each State during the last five years as on 30th June, 1972 from the Reserve Bank of India; and

(c) whether Government propose to set up an autonomous finance corporation for advancing loans to State Governments for their development, if so, bywhen ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MATI SUSHILA ROHATGI) : (a) The reference presumably is to the decision taken by Government that States will not be permitted to regard overdrafts on the Reserve Bank of India as a kind of budgetary resource. It may be mentioned in this connection that State Plan outlays for the current year have been fixed after detailed consultations with the State Governments and on a fully financed basis. All future operations would, therefore, have to be on a self-financing basis and a balance would have to be maintained between the flow of resources and expenditure. Under the procedure which has been worked out in consultation with the Planning Commission and the Reserve Bank and which has come into effect from the 1st May, 1972 in case any State Government has an overdraft continuously for seven days, the Reserve Bank would automatically suspend payments which will be resumed only when the overdraft disappears. The State Governments had throughout been kept informed of the views of the Government of India in this regard. No State has raised any objection against the decision to stop the uncurtailed use of overdrafts as a budgetary resource.

(b) As the overdrafts of State Governments have been invariably cleared on the 29th June each year for the annual closing of the accounts of the Reserve Bank by the Centre providing ways and means accommodation to the States, where necessary, no State Government had any overdraft as on the 30th June during any of the last five years,

(c) No such proposal is under consideration.

SMUGGLING ACROSS INDO-BANGLA DESH BORDER

531. DR. BHAI MAHAVIR : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that there is large scale smuggling of goods on the Indo-Bangla Desh borders;