

9. Uttar Pradesh Hotels, & Restaurants Ltd., Varanasi. (Project at Lucknow).
10. Karan Enterprises (P) Ltd., Hyderabad.
11. Carlton Hotel (P) Ltd., Lucknow.
12. Broadway Enterprises (P) Ltd., Srinagar.

SALE OF GOLD

525. SHRIM.K.MOHTA :
SHRI K. C. PANDA :
SHRI CHANDRAMOULI
JAGARLAMUDI : SHRI
LOKANATH MISRA :

Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that in the month of May, 1972, there was heavy sale of gold in Bombay;

(b) whether, as a result thereof, the prices of bullion came down considerably; and

(c) if so, whether it had any adverse effect on the country's economy ?

THE MINISTER OF FINANCE (SHRI Y. B. CHAVAN) : (a) and (b) During the month of May, 1972 there was no fall in the price of gold in the Bombay bullion market. Instead there was an appreciable rise. The uptrend in the domestic price of gold was mainly a sequel to the steep rise in the free market price of gold abroad; there would also have been the usual impact of the increase in the internal demand for gold during the marriage season.

(c) Does not arise.

AGREEMENT WITH U. S. FIRMS FOR MANUFACTURE OF AIR DEFENCE GROUND EQUIPMENT

526. SHRI KRISHAN KANT :
DR.Z.A.AHMAD : SHRI CHANDRA
SHEKHAR : SHRI KOTA
PUNNAIAH : SHRI SYED AHMAD
: SHRI D. P. SINGH :

Will the Minister of DEFENCE be pleased to state ;

(a) whether Government entered into any agreement with some American firms for the manufacture of air defence ground equipment ; and

(b) if so, what is the present position on those agreements in view of the suspension of all U. S. Military shipments to India ?

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

(b) These agreements are at present under suspension due to the U. S. export embargo on shipments of military items to India.

ADDITIONAL ASSISTANCE TO DROUGHT AFFECTED PEOPLE

527. SHRI YOGENDRA SHARMA : Will the Minister of FINANCE be pleased to state :

(a) whether the Orissa Government has requested the Centre to provide an additional assistance of Rs. 8 crores for relief and rehabilitation of cyclone and drought affected people; and

(b) if so, what decision has been taken thereon ?

THE DEPUTY MINISTER IN THE-MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI) : (a) and (b) in response to a request received from the State Government a Central Team visited Orissa. Based on its recommendations, the Government of India accepted a ceiling of expenditure of Rs. 3.05 crores for relief measures during the period April-June, 1972 for purposes of Central assistance. Another Central team visited Orissa in July, 1972 for a further assessment of the situation and to consider additional requirement of funds for relief measures in the current financial year. After discussions with the State Government, this Central Team has recommended a ceiling of Rs. 6.33 crores for the period July-October, 1972 for purposes of Central assistance.

2. During the current year so far assistance amounting to Rs. 6.00 crores, including Rs. 3 crores as short-term loan for agricultural inputs has been released to the State Government. Further releases will be considered on the basis of progress of expenditure to be reported by the State Government and subject to the ceilings adopted for the purpose.

COMPREHENSIVE STUDY OF 1962 WAR

528. SHRI SYED AHMAD : SHRI D. P. SINGH : SHRI KOTA PUNNAIAH :
SHRI KRISHAN KANT : SHRI
CHANDRA SHEKHAR :

Will the Minister of DEFENCE be 'pleased to state ;