

RISE IN PRICES

*60. SHRI SHYAM LAL YADAV: SHRI BHUPESH GUPTA: SHRI NIRANJAN VARMA:

Will the Minister of FINANCE/ वित्त मंत्री be pleased to state:

(a) whether it is a fact that prices of essential commodities have risen abnormally during the last few months;

(b) if so, the factors responsible for this rise; and

(c) what steps Government propose to take to check it?

THE MINISTER OF FINANCE/ वित्त मंत्री (SHRI Y. B. CHAVAN): (a) Month-end wholesale price indices (1961-62=100) for selected essential commodities/commodity groups since May 1971 are given in the statement enclosed. [See Appendix LXXVIII, Annexure, No. 6.]

(b) During the current year, the seasonal pressure on prices has been aggravated by some unexpected developments. The heavy influx of refugees from East Bengal, and droughts and floods in parts of the country have resulted in a certain strain on the prices of foodgrains, including pulses. Industrial raw materials such as cotton and oilseeds have been generally in short supply; the price rise in their case has been partly accentuated by the activities of speculative elements. The expenditure on refugees has added to the effective demand in the economy; in the process, the rise in money supply has been larger than would otherwise have been the case. As against the increase in the general state of demand, the industrial investment activity has not come up to the desired level in several fields, while in some others, such as steel, coal, staple fibre and rayon yarn, normal production has been affected by organisational problems or industrial unrest.

(c) The Government has adopted a variety of measures to control undue price rise. On the budgetary side, steps have been taken to effect economies in non-Plan expenditure, both

at the Centre and in the States, and to raise fresh resources for meeting the needs of the refugees. A fairly-restrictive credit policy is being pursued. Products of steel re-rollers have been added to the list of commodities subject to price and distribution control. Cotton textile mills have been asked to step up the output of controlled varieties of cloth, and to stamp the 'consumer price per metre' on every metre length of cloth. So as to check speculative activities, certain lacunae in the Forward Contracts (Regulation) Act have been removed; forward trading, including trading in non-transferable specific delivery contracts, in edible oils and oilseeds has been suspended, and futures trading in *gur* has been banned. To make up the shortfall in the indigenous output of essential commodities such as raw cotton, edible oils, steel and soda ash, larger imports are being arranged.

MEMORANDUM FROM YOUNG CHARTERED ACCOUNTANTS' FORUM

69. SHRI THILLAI VILLALAN: Will the Minister of COMPANY AFFAIRS/ संघीय कर्षण विभाग be pleased to state:

(a) whether Government have received any memorandum from the Young Chartered Accountants' Forum recently; and

(b) if so, what is Government's reaction towards the demands made in the memorandum?

THE MINISTER OF COMPANY AFFAIRS/ संघीय कर्षण विभाग (SHRI K. V. RAGHUNATHA REDDY): (a) Yes, Sir.

(b) The matter is under consideration.

OIL EXPLORATION IN CAUVERY BASIN

70. SHRI THILLAI VILLALAN: Will the Minister of PETROLEUM AND CHEMICALS/ पेट्रोलियम और रसायन मंत्री be pleased to state:

(a) whether any oil exploration work has been undertaken in the Cauvery basin recently, and

(b) if so, the details thereof?

THE MINISTER OF PETROLEUM AND CHEMICALS/पेट्रोलियम और रसायन (SHRI P. C. SETHI): (a) Oil exploration work in Cauvery basin commenced in 1958 and is still in progress.

(b) In addition to surface geological mapping and gravity magnetic surveys in the Cauvery basin, a large volume of reflection and refraction seismic surveys has been conducted and these surveys are continuing. Electrical prospecting work has also been undertaken. 27 shallow wells and 10 structural wells have been drilled for obtaining, subsurface geological information. 13 deep exploratory wells have been drilled to test oil and gas potentialities of the basin.

No indication of presence of hydrocarbons of commercial significance has been observed in any of the wells drilled so far.

ADVANCED STRIKE AIRCRAFT

71. SHRI THILLAI VILLALAN: Will the Minister of DEFENCE/

रक्षा मंत्री be pleased to state:

(a) whether the Hindustan Aeronautics Ltd. has undertaken any project for the manufacture of advanced strike aircraft recently; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE (DEFENCE PRODUCTION) IN THE MINISTRY OF DEFENCE/

रक्षा मंत्रालय (रक्षा उत्पादन) में राज्य मंत्री (SHRI VIDYA CHARAN SHUKLA):

(a) and (b) Hindustan Aeronautics Limited is carrying out studies for the design of an advanced aircraft for meeting the future requirements of the I.A.F. It will not be in the public interest to give further information.

STANDING COMMITTEE ON HOTELS

72. SHRI S. SIVAPRAKASAM: Will the Minister of TOURISM AND CIVIL AVIATION/पर्यटन और नगर विमानन मंत्री be pleased to state:

(a), whether any permanent Committee on Hotels has recently been constituted by Government; and

(b) if so, the personnel thereof and what are its functions?

THE MINISTER OF TOURISM AND CIVIL AVIATION/पर्यटन और नगर विमानन मंत्री (DR. KARAN SINGH): (a) and

(b) In pursuance of the recommendations of the Hotel Review & Survey Committee-1968, Government issued an order on 31st March 1971 constituting a permanent Committee called 'The Hotel and Restaurant Approval & Classification Committee'. In order to facilitate its work, four Regional Sub-Committees under the Hotel and Restaurant Approval & Classification Committee was also constituted.

The personnel of the Hotel and Restaurant Approval and Classification Committee are as under:

1. An Officer of the Department of Tourism, Government of India—Chairman.

Members

2. The Principal Institute of Catering Technology & Applied Nutrition, Bombay.

3. One representative of the Hotels and Restaurants in India.

4. One representative of the recognised Travel Agents in India.

5. An Officer of the Department of Tourism Government of India— *Member Secretary*.

The personnel of the Regional Sub-Committee of the Hotel and Restaurant Approval & Classification Committee are as under:

1. An officer of the Department of Tourism Government of India— *Chairman*.

Members

2. Principal of the Catering Institute, Delhi/Bombay/Madras/Calcutta.

3. One representative of Hotels and Restaurants in that Region.

4. One representative of the recognised Travel Agents in that Region.