

But the resolution of the issues is inconclusive. As reported by the Government of Kerala the violations of the provisions of the Parambikulam Aliyar Project agreement by Tamil Nadu were discussed, *inter-alia*, in the inter-State Secretary level meetings held on 3.01.2004 and 27.11.2004 at Thiruvananthapuram and again discussed in the Chief Minister level meeting held at Chennai on 6.11.2004.

Island Special Allowance

*186. SHRI ABDUL WAHAB PEEVEE: Will the Minister of FINANCE be pleased to state:

(a) whether Island Special Allowance is given only to the officers/staff of the nationalized banks who are posted from main land to the Andaman and Nicobar Islands;

(b) whether the officers/staff belonging to these widely spread Islands are at times on equal footing to their counterparts from mainland, if they are settled in one Island and are posted at some far-flung Island which often taken more time in travelling;

(c) what are the reasons for this discrimination and how Government proposes to remove it; and

(d) what would be the financial burden if this allowance is extended to Islanders?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) Two types of Special Allowances are paid to the Bank employees posted in Andaman and Nicobar Islands namely, the Ad-hoc and Temporary Incentive and the Special Area Allowance. The Ad-hoc and Temporary Incentive is paid only to officers who are transferred from other parts of the country and posted to Andaman and Nicobar Islands. Special area Allowance is paid to all employees. Thus, so far as the Special Area Allowance is concerned the staff/officers belonging to these islands are on an equal footing *vis-a-vis* their counterparts from the mainland. Since the staff posted from the mainland to the Andaman and Nicobar Islands have to leave their families behind and manage double establishments, the Ad-hoc and temporary incentive is given as an incentive to them. The same is not given to local staff as they continue to work in the same social, cultural and ethnic environment.

(d) As per a quick estimate, the additional cost of giving Ad-hoc and temporary Incentive to the Islanders would be approximately Rs. 30 lakhs per annum.

Increase in Government borrowings

*188. SHRI K.B. KRISHNAMURTHY: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has expressed concern over the expected increase in Government borrowings during the second half of the year;

(b) whether, according to a RBI report, net Government borrowings stood at Rs. 23,250 crores and the gross borrowings at Rs. 75,050 crores forming 29 per cent and 49 per cent of the budgeted amount, respectively; and

(c) whether the RBI has cautioned Government not to cross the fiscal deficit target?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Reserve Bank of India, in its Mid-term Review of Annual Policy Statement for the year 2004-2005 has, *inter-alia*, stated that in view of strong credit demand, the market borrowing programme of the Government in the second half of the year needs to be calibrated carefully.

(b) Yes, Sir, in so far as Government borrowings upto October 21, 2004 are concerned.

(c) The Mid-term Review of Annual Policy Statement for the year 2004-2005 has, *inter-alia*, reiterated the Government's policy that it is important to ensure that there is no slippage in fiscal deficit.

Direct Air service between Bhubaneswar and Delhi

*191. MS. PRAMILA BOHIDAR:
SHRI B.J. PANDA:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the State Government of Orissa has made a request for introduction of flight between Bhubaneshwar and Delhi via Varanasi to help the Buddhist tourists to visit Buddhist spots in Orissa;