

Minister as a matter of routine practice the Central Board of Directors call for reports on the following points regarding those who want over-awards: (a) whether the applicants have defaulted in the payment of income-tax dues; (b) whether they have been prosecuted by any agency of Government for infraction of any rules regarding commerce and trade and (c) whether the party concerned has been blacklisted by any Ministry? I am raising this question because the State Bank is a Government undertaking and we cannot give help to those persons who do not pay their income-tax dues, or who are guilty of some infraction of law in any form. Will the Finance Minister answer the question? This is a matter of policy.

SHRI MORARJI R. DESAI: Why specially to you?

SHRI K. C. PANT: Sir, the State Bank does take into account all the factors that it ought to take into account in giving these loans. I do not know the details of every criterion that it applies.

MR. CHAIRMAN: Next question.

SANCTIONING OF IRRIGATION PROJECTS BY STATES

*182. SHRI S. K. VAISHAMPAYEN: Will the Minister of IRRIGATION AND POWER be pleased to state:

(a) whether Government have recently received any suggestion from the Government of Maharashtra to the effect that the Centre should delegate powers to the States for sanctioning irrigation projects costing upto Rs. 10 crores; and

(b) if so, what are Government's reaction thereto?

THE MINISTER OF IRRIGATION AND POWER (DR. K. L. RAO): (a) No, Sir.

(b) Does not arise.

SHRI S. K. VAISHAMPAYEN: Sir, even if no such proposal has been received may I draw the attention of the hon. Minister to the fact that it is only the major irrigation projects, which have some sort of inter-State bearing, that require Central assistance, but not the other medium projects which have no such bearing? Under such circumstances, why is it that the Government is not considering to revise its present procedure and delegate technical and financial powers to the State Governments?

DR. K. L. RAO: Sir, projects costing Rs. five crores and more are termed major projects. So the question really pertains to whether sanction of the medium projects which cost between Rs. 15 lakhs and Rs. five crores should be left to the States. On this question there has been a large amount of exchange of correspondence and discussion between the Planning Commission and the Ministry of Irrigation. And the Planning Commission have now agreed that the limit may be raised up to Rs. three crores—up to Rs. three crores the State can sanction—which is the stage at which the matter stands.

SHRI S. K. VAISHAMPAYEN: Sir, is it not a fact that some of the irrigation projects submitted by the Government of Maharashtra have taken as many as three years for clearance? Because of the present procedure long delays occur in the Central Government clearing these projects. The Maharashtra Government is trying to fight its scarcity in food. It had a deficit of about twenty-two lakh tonnes in its foodgrain requirements and it has undertaken a very big programme of irrigation. Under these circumstances, because of the present procedure how is it possible for the State Government to execute its irrigation projects on a war footing unless the present procedures are modified.

DR. K. L. RAO: A large number of projects have been sanctioned for

Maharashtra and the spillover itself costs about Rs. 200 crores. The approach of the Fourth Plan is to complete the projects already undertaken. It is true that Maharashtra has submitted a large number of projects, some 10 major projects which will involve an expenditure of about Rs. 250 crores and therefore it is rather very difficult for the Government of India to undertake a further responsibility for Rs. 250 crores in that State. There are about 23 medium projects which will cost about Rs. 18 crores and it is likely that they will all be cleared.

SHRI C. ACHUTHA MENON: There are certain States for which certain projects are very essential. At the same time those States are not in a position, financially, to undertake those essential projects. I would like to know whether the Government is prepared to consider the suggestion that a project involving investments of Rs. five crores and more should be directly financed by the Central Government in all cases where such a project is absolutely necessary?

DR. K. L. RAO: The general policy is that the Planning Commission, the Ministry of Irrigation and the Finance Ministry select a few projects for which they give 100 per cent loan assistance. There is another assistance called miscellaneous development assistance. Provided the project is one which is useful and one which gives results, the necessary assistance will be given by the Government.

श्री निरंजन वर्मा : श्रीमान्, इस बात को ध्यान में रखते हुए कि केन्द्र से राज्यों को और राज्यों से केन्द्र को इन परियोजनाओं के बारे में ग्रांट लेने के लिये या लोन लेने के लिए बहुत अधिक समय लगता है और इस समय के लग जाने के कारण बहुत सी योजनाएँ जड़ों की नहाँ धरी रह जाती हैं। क्या यह उचित नहीं होगा कि आप 10 करोड़ या इससे कम की योजनाओं को राज्यों को देने के लिए तैयार हो जायेंगे तकि उन पर मुहर लगा कर वे काम करने लगे ?

DR. K. L. RAO: As I have submitted already where the project costs more than Rs. five crores it is called a major project and it is not desirable that a major project should be cleared by the State itself. Such projects will have so many angles from which we have to view them and I do not think we will agree to leave such major projects to the State without further thought.

SHRI B. D. KHOBARAGADE: **SHRI Vashuampayen** has already stated that so many projects for increasing the irrigation potential are pending in Maharashtra for the last 3 years or so. We know that it is necessary to provide more irrigation facilities in order to increase our food production. But at the same time so many irrigation projects are pending for the last few years. In view of the fact that the Government also wants to increase the irrigation potential in order to increase food production, may I know whether the Government of India is prepared to delegate all the necessary powers to the State Governments? Have they tried to find out some ways and means so that all these projects could be expedited and we can have more irrigation potential and consequently increase the food production in our country?

DR. K. L. RAO: As I have already stated, Sir, there are a large number of projects sanctioned for which a large amount has to be spent in the Fourth Plan. And nearly 20 per cent of the funds for irrigation in the Fourth Plan are to be spent in Maharashtra. Therefore it is rather difficult to visualise a condition in which more major projects can be sanctioned. But as I have already submitted, almost all the medium projects will be cleared.

SHRI A. G. KULKARNI: Sir, the question is not whether Maharashtra has got the money or whether the money or the projects have been sanctioned. The question is this. The

Government has been saying that all planning has to be from below and there should be decentralisation of more power. Of course, the hon. Minister has already stated that there are medium projects costing about Rs. 18 crores. But the question is whether as a matter of policy the Planning Commission or the Government of India does not find the rationale of accepting a proposition that where there is a project costing not more than Rs. 10 crores the Government should accept the suggestion that the various States including Maharashtra, should be given the power to implement that project? It is a matter of policy since you want planning from below. That is what they say. So why don't you give power to the State Governments?

DR. K. L. RAO: Sir, I have already stated that the Government of India thinks that Rs. 5 crores is a proper limit and in the case of such a project scrutiny is necessary. I also think so. Rs. 5 crores is a very large amount and for such projects it is necessary to have two opinions on the subject even from the technical point of view.

SMUGGLING OF SILVER OUT OF INDIA

*183. SHRI ABID ALI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that recently a large quantity of silver has been smuggled out of India to some Arabian Port; and

(b) if so, what was the approximate value of the same and what action has been taken to minimise the smuggling?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. C. PANT): (a) and (b) The Government is aware that silver is being smuggled out of India to some Arabian ports, but the quantity or value of silver smuggled cannot be estimated.

Among the important steps taken by Government to check smuggling including the smuggling of silver out of the country are: systematic collection and follow-up of information, setting up of reliable informers and keeping a watchful eye on the various gangs of smugglers, rummaging of suspected vessels and aircraft, patrolling of vulnerable sections of the coastal waters, and the coastline and land frontiers, launching of prosecution in suitable cases in addition to departmental adjudication.

SHRI ABID ALI: Is it not a fact that in some newspapers recently some assessment was made of the quantity and value of the silver smuggled out? It was also stated that in place of that gold was being brought in and also some other merchandise. Has the attention of the Government been drawn to this particular assessment and can the Government give us some idea of the value of the smuggled out silver etc. and also the value of the imported smuggled gold? Ultimately, how all this will result so far as our economy is concerned?

SHRI K. C. PANT: One of the main reasons to which this smuggling of silver is attributed in marketing circles etc. is that payment can be made for contraband imports by silver. As for the second point as I have stated in reply to the main question it is very difficult for us to estimate the exact quantity of such exports. We know only the seizures which we have made during the last few years.

SHRI ABID ALI: Give that. That also will be of interest.

SHRI K. C. PANT: In 1965 it was Rs. 11 lakhs worth, in 1966 it was Rs. 71 lakhs and in 1967 it was Rs. 2.51 crores.

SHRI K. P. MALLIKARJUNUDU: What is the price of silver in the international market and what is its price in the domestic market? Is the difference between the two such as to provide the incentive for the smugglers to make these unauthorised exports?