

£ 30 Million Loan from U.K.

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{ **Shri P. Venkatasubbaiah:**
 { **Shri N. R. Laskar:**
 { **Shri Onkarlal Berwa:**
 { **Shri Yashpal Singh:**
 { **Shri Eishanchar Seth:**
 { **Shri Siddheswar Prasad:**
 { **Shri P. C. Doo Bhanj:**

Will the Minister of **Finance** be pleased to state:

(a) whether Britain has agreed to give £ 30 million loan to our country to meet urgent requirements for Industrial Development; and

(b) if so, which industrial projects will be financed by this loan?

The Deputy Minister in the Ministry of Finance (Shrimati Tarkeshwari Sinha): (a) and (b). There has been recently no offer of such a loan from the U.K. authorities. An agreement for a credit of £ 3.5 million (Rs. 4.67 crores) was signed with the U.K. Government on 9th April, 1963 for purchase of steel and further British assistance for 1963-64 will be indicated after the Consortium meeting to be held towards the end of this month.

Shri P. Venkatasubbaiah: May I know whether our third Plan requirements have been fully assessed and also the foreign assistance needed and, if so, what percentage of the loan that is being sanctioned by U.K. represents the foreign exchange to meet our industrial requirements?

Shrimati Tarkeshwari Sinha: The foreign exchange requirement so far as this Government is concerned has been assessed more or less and is being assessed continuously. So far as those Governments are concerned, the requirements for the year 1963-64 will be indicated at the next consortium meeting, as I said in my reply to the main question. The meeting is to be held on the 30th April, 1963. There will be a second session of the consortium in May, and the whole requirements of our foreign assistance

for 1963-64 will be assessed in that meeting.

Shri P. Venkatasubbaiah: May I know how the interest charged by this Government compares with the interest charged by the other Governments?

The Minister of Finance (Shri Morarji Desai): Interest charged by this Government or to this Government?

Shri P. Venkatasubbaiah: By the United Kingdom Government.

Shri Morarji Desai: The interest charged by the United Kingdom is higher than the interest charged by some other Governments.

Shri Tyagi: Have the Government fixed a ceiling beyond which they would not incur any foreign loans?

Shri Morarji Desai: No ceiling has been put. The only ceiling is its usefulness.

Gold for Industry

*835. **Shri S. N. Chaturvedi:** Will the Minister of **Finance** be pleased to state:

(a) whether as a result of the Gold Control Order and consequent scarcity and high prices of liquid gold, the Glass Bangle Industry has suffered heavily leading to closure of several units and retrenchment in others; and

(b) if so, the steps Government propose to take to remedy this?

The Deputy Minister in the Ministry of Finance (Shrimati Tarkeshwari Sinha): (a) and (b). No grave or intractable problem, involving large scale unemployment, appears to have arisen in the Glass Bangle industry as a result of the promulgation of the Gold Control rules. Manufacturers of liquid gold which is used in the Glass Bangle industry are, however, being given special permits by the Gold Board for the purchase of gold from licensed dealers.