

Shri M. M. Das: A rough estimate was made for the pilot plant. The cost of erecting the plant was estimated at about Rs. 8 lakhs and the recurring cost was estimated at Rs. 1.8 lakhs.

Shri Radha Raman: On a point of information. The Law Minister was not available and therefore the first question could not be answered. Will it be taken up as soon as he comes?

Mr. Speaker: Certainly, as soon as he comes, I will call the question.

Shri Tyagi: It is unprecedented that a question is postponed because the Treasury Bench representative is not there. The convention is that if a Minister is delayed, he passes on his questions to some other Minister to answer.

An. Hon. Member: What about the Deputy Minister?

Mr. Speaker: Both are absent. Very well; the House notes it. Next question. **Shri Gajendra Prasad Sinha.** The Member is absent. **Shri Rameshwar Tantia.**

Dr. Ram Subhag Singh: The next name is mine.

Mr. Speaker: **Shri Tantia's** name is earlier.

Dr. Ram Subhag Singh: You may please read it carefully.

Mr. Speaker: **Shri Tantia's** name is added here.

Dr. Ram Subhag Singh: It can be added at the end.

Mr. Speaker: Yes, but in my copy it is added in the beginning. I shall make enquiries as to how it happened. All right, I will call both **Dr. Ram Subhag Singh** and **Shri Tantia.**

Loan from Japan

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*242. { **Dr. Ram Subhag Singh:**
Shri Gajendra Prasad Sinha:
Shri N. R. Munisamy:
Shri Raghunath Singh:
Shri Hem Raj:
Shri Padam Dev:
Shri Jhunjhunwala:
Shri Siddananappa:
Shri D. C. Sharma:
Shri Shobha Ram:
Shri Hem Barua:
Shri Assar:
Shri Nausibir Bharucha:

Will the Minister of Finance be pleased to state:

(a) whether Government have received any offer from the Government of Japan for a 18,000 million Yen loan;

(b) whether the offer has been accepted;

(c) if so, what are its terms and conditions; and

(d) the purposes for which it will be utilised?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) to (d). A copy of a joint communique regarding Yen credit from Japan, issued on 4th February 1958 is laid on the Table. [See Appendix II, annexure No. 20].

Dr. Ram Subhag Singh: May I know when the amount will start coming to India?

Shri B. R. Bhagat: We sent a delegation; they have been able to negotiate the details of the credit and a communique was issued on the 4th February. The terms of the loan are that within three years, the entire loan will come. But actually when it will start coming it is difficult to say; it may start shortly.

Dr. Ram Subhag Singh: Does it mean that there is no other information except that which came out in the communique?

Shri B. R. Bhagat: What information does the hon. Member want? Whatever information is here, I am prepared to give.

Shri Rameshwar Tantia rose—

Mr. Speaker: You have been authorised?

Shri Rameshwar Tantia: Yes.

Mr. Speaker: I will not call you now. **Shri Tyagi.**

Shri Tyagi: May I know the total amount of indebtedness which the Government have agreed to incur this year?

Shri B. R. Bhagat: This credit is from Japan. As for the total indebtedness that the Government have incurred, I want separate notice.

Shrimati Tarkeshwari Sinha: To my knowledge, I think the interest rate that is going to be charged on this loan is much lower than the interest-rates charged by the World Bank and other agencies. It is also lower than the interest-rate charged by Japan itself in the internal market. In view of this fact, may I know whether India is going to give certain concessions under the GATT or under the trade agreement, because of this concession granted to India?

Shri B. R. Bhagat: The interest-rate charged on this credit is dependent on the rate charged by the World Bank. It is neither lower nor higher. It just corresponds with that. That is one of the terms of the agreement. As for the other question, that does not arise from this.

Shri Hem Barua: In the case of our Government's inability to pay in Japanese currency, is it a fact that Japan is prepared to accept payment in sterling pounds?

Shri B. R. Bhagat: It is a Yen credit to be paid in Yen. So far as the foreign exchange is concerned, it does not make any difference, because ultimately it is accountable to us, whether it is in sterling, yen or any other currency.

श्री रघुनाथ सिंह : वर्ल्ड बैंक ने हिन्दुस्तान को जो लोन दिया है वह चार से लेकर पांच पर सेंट इंटिरेस्ट पर दिया है और रूस ने जो लोन दिया है वह ढाई पर सेंट के हिसाब से दिया है। अभी माननीय मंत्री जी ने कहा है कि जो रेट भाव इंटिरेस्ट होगा वह इंटर नैशनल बैंक के रेट भाव इंटिरेस्ट के अनुसार होगा। मैं जानना चाहता हूँ कि यह रेट भाव इंटिरेस्ट चार-पांच परसेंट होगा या रूस के रेट भाव इंटिरेस्ट के बराबर होगा, जो कि ढाई पर सेट है ?

श्री ब० रा० भगत : मैंने यह कहा है कि वर्ल्ड बैंक का जो रेट भाव इंटिरेस्ट है उसके अनुसार होगा। वर्ल्ड बैंक का जो रेट है वह पांच पर सेट नहीं, करीब करीब छः परसेंट है। वह बढ़ गया है। उसी के अनुसार इस लोन पर भी इंटिरेस्ट दिया जाएगा।

श्री रघुनाथ सिंह : एक स्टेटमेंट दी गई है जिसमें यह कहा गया है कि रेट भाव इंटिरेस्ट चार पर सेंट और साढ़े पांच पर सेंट है और उसी पर हमको उसने लोन दिया है। रूस ने जो लोन दिया है उस पर ढाई परसेंट के हिसाब से इंटिरेस्ट देना होगा। मैं जानना चाहता हूँ कि जापान ने जो लोन दिया है, उस पर क्या रेट भाव इंटिरेस्ट चार्ज किया जाएगा ?

श्री ब० रा० भगत : मैंने यह कहा है कि पहले वर्ल्ड बैंक का जो रेट भाव इंटिरेस्ट था वह चार-पांच परसेंट के करीब था। लेकिन अब जो इंटिरेस्ट वह चार्ज करता है वह करीब कर ब छः परसेंट है। जो एग््रीमेंट हमारा जापान के साथ हुआ है उसमें यह तय पाया गया है कि वर्ल्ड बैंक के रेट भाव इंटिरेस्ट के हिसाब से ही वह हमसे इंटिरेस्ट चार्ज करेगा। इसके अलावा और कोई दूसरी बात नहीं है।

Shri D. C. Sharma: In the statement a long list of goods is given. May I know if any priority has been settled with regard to the purchase of these goods or they are going to be ordered at one and the same time?

Shri B. R. Bhagat: Priorities are determined by the Second Five Year Plan. Mainly, they are capital goods which will go towards the implementation of the core of the Plan and the names mentioned are those which go into the core of the Plan.

Dr. Ram Subhag Singh: Part (d) of question is concerned with the utilisation of the loan. May I know whether some part of the loan is also going to be used for purchasing a teleprinter which can transmit messages in both Hindi and English?

Shri B. R. Bhagat: I do not know. In the general list, broadly, the projects would be transmission, dam construction, coal mining, railway equipment, caustic soda plants and others. I do not think teleprinter comes in there.

Shri N. R. Munisamy: May I know whether this loan credit is to be used—a portion of it—with respect to the earlier commitment made by the Government of India in getting certain capital goods for which they have already placed orders and which are on the way?

Shri B. R. Bhagat: Orders where?

Shri N. R. Munisamy: In Japan.

Shri B. R. Bhagat: That would be used to purchase Japanese goods for these various projects. I do not know whether that would be for purchases which have already been committed or not; I am not in a position to say.

Shri Dasappa: In view of the fact that this loan would be made available to us for purchases to be made in Japan, may I know whether the Government will be able to place all the orders so as to take advantage of this loan within the period mentioned, three years?

Shri B. R. Bhagat: Certainly; that is our intention.

Shri Tangamani: May I know whether this is a simple loan or any condition has been put that we have

to buy Japanese machinery against this loan?;

Shri B. R. Bhagat: It is a very simple loan. The condition is that we will buy Japanese goods.

Mr. Speaker: Next question.

Shri Raghunath Singh: The Law Minister is here.

Mr. Speaker: I am also able to see the Law Minister here. There is no harm if the Law Minister waits for some time. Next question.

Interim Relief to Employees of Union Territories' Administrations

*244. **Shri L. Achaw Singh:** Will the Minister of Finance be pleased to refer to the reply given to Unstarred Question No. 2090 on the 20th December, 1957 and state whether Government employees under the different Union Territories' Administrations have been granted the interim relief of Rs. 5 p.m. available to the Central Government employees under the recommendations of the Pay Commission?

The Deputy Minister of Finance (**Shri B. R. Bhagat:**) Employees of the Union Territories' Administrations who are in receipt of dearness allowance at Central Government rates have been allowed the interim relief of Rs. 5/-.

Other employees whose scale of dearness allowance is based on that admissible to employees of neighbouring State Governments have not been granted the interim relief.

Shri L. Achaw Singh: Am I to understand that the Government employees in the Union Territories' Administrations will not be entitled to the interim relief of Rs. 5/- which has been recommended by the Pay Commission?

Shri B. R. Bhagat: I said that this interim relief, according to the Pay Commission's clarification that we