

LOK SABHA DEBATES

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LOK SABHA

Wednesday, December 9, 1959/Agrahayana 18, 1881 (Saka)

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

Loans from Foreign Countries

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- *697. { Shri Ram Krishan Gupta:
Shri Ramji Verma:
Shri D. C. Sharma:
Dr. Ram Subhag Singh:
Shri P. C. Borooah:

Will the Minister of Finance be pleased to refer to the reply given to Unstarred Question No. 454 on the 10th August, 1959 and state:

(a) whether the negotiations on details of the loans to be given to India by Japan, Canada, U.K., U.S.A. and West Germany have been completed; and

(b) if so, the outcome thereof?

The Deputy Minister of Finance (Shrimati Tarkeshwari Sinha): (a) and (b). Negotiations for a credit of 19 million from the United Kingdom have since been completed and an agreement was signed in London on the 25th November, 1959. Copies of the credit agreement will be placed in the Parliament Library for reference by Hon'ble Members as soon as they are received. Canada has so far announced a grant of \$7 million under the 1959-60 Colombo Plan Programme. Arrangements with the other countries are still in various stages of negotiation.

Shri Ram Krishan Gupta: May I now the purpose for which the loan

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received from the U.K. will be utilised?

Shrimati Tarkeshwari Sinha: The terms I can indicate. But, the exact purpose for which the loan will be utilised, I will not be able to indicate now.

Shri Ram Krishan Gupta: In reply to a previous question, the hon. Finance Minister stated that the World Bank has granted three loans aggregating to about Rs. 40-47 crores. May I know the total amount of loan which has been secured so far from the World Bank?

Shrimati Tarkeshwari Sinha: This question only refers to the conference. Therefore, I am in a position to give the expected new loans which would be available. It was indicated from the World Bank that additional disbursement of about 65 million dollars would be available in 1959-60. So far we have received much larger amounts.

Shri Damani: May I know, out of this loan and the loans which we are negotiating, what amount will be allotted for industries in the private sector?

Shrimati Tarkeshwari Sinha: The private sector will also get help from this.

Shri Hem Barua: May I know whether it is a fact that our Finance Minister during his recent visit to the U.K. had private talks with Mr. Mac-Millan and Heathcote Amery about financial help to this country during the remaining years of the Second Five Year Plan and the Third Five Year Plan and if so, whether this is covered by this loan?

The Minister of Finance (Shri Morarji Desai): I had no specific talks about the Third Five Year Plan. We had only general talks. There was no Plan fixed yet. For the remaining years of the Second Plan, talks will be held by the World Bank with all those countries. After the talks are held and sums are fixed, then, we have talks with the different countries to negotiate the terms. But, the things will be fixed at the World Bank conference that would be held some time next year.

Shri Hem Barua: I wanted to know whether he had private talks with Mr. MacMillan.

Shri Morarji Desai: All talks were private. I had no public talks with him.

Shri Tangamani: May I know how much out of the £19 million received from the U.K. and 7 million dollars received from Canada is being earmarked for the public sector and how much for the private sector?

Shri Morarji Desai: There is nothing earmarked for anything. It will be utilised as orders are placed from whatever sector they are as they are required.

Shri Damani: May I know whether out of the amounts of £19 million and 7 million dollars, the entire amount is to be utilised in purchases in the U.K. and those countries or we can purchase in other countries?

Shri Morarji Desai: They have to be purchased in the country concerned.

श्री विभूति मिश्र : मैं यह जानना चाहता हूँ कि हमारी सरकार जो यह कर्ज लेती है इनका कितना परसेंट उत्पादक कामों पर खर्च करती है, और जो खर्च करती है क्या उस पर कोई नियन्त्रण है कि वह ठीक से खर्च हो ?

श्री मोरारजी देसाई : ये सारे लोन उत्पादक कामों के लिये ही खर्च किये जाते हैं,

और दूसरे काम में खर्च नहीं किये जाते हैं, और उनके ऊपर जितना नियन्त्रण मुमकिन हो सकता है लगाया जाता है ।

श्री विभूति मिश्र : जो खर्च करते हैं उस पर नियन्त्रण रखते हैं या नहीं ?

श्री मोरारजी देसाई : नियन्त्रण जरूर रखते हैं, जितना मुमकिन है ।

Shri Mahanty: The hon. Minister stated that nothing has been earmarked for any sector. May we know what is the objective of the Government in allotting these funds between the private sector and the public sector?

Shri Morarji Desai: The objective is economic development of this country.

Shri Mahanty: That is too true, to be vague.

Prize Bonds Scheme

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*698. { Shri Ram Krishan Gupta:
Shri Shree Narayan Das:
Shri P. C. Borooah:
Shri M. L. Dwivedi:
Shri Oza:
Shri Damani:

Will the Minister of Finance be pleased to state:

(a) whether it is a fact that Government is considering a proposal to launch a prize bonds scheme on the pattern of the British Premium Bonds Scheme;

(b) if so, at what stage the proposal is; and

(c) the main features of the scheme?

The Minister of Finance (Shri Morarji Desai): (a) and (b). It has been decided to introduce a prize bonds scheme and details are being worked out.

(c) The details of the scheme can be announced only after they are finalised.