

World Bank Team's Visit

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*1561. { Shri Raghunath Singh:
Shri D. C. Sharma:
Shri Aurobindo Ghosal:

Will the Minister of Railways be pleased to state:

(a) whether it is a fact that a two member world bank team has arrived in India for a three-week tour of various railway centres; and

(b) if so, whether the team has submitted any report or suggestions after their tour?

The Deputy Minister of Railways (Shri Shahnawaz Khan): (a) Yes, Sir.

(b) No, Sir. Such teams submit their reports to the Bank and not to the Government of India.

Shri Raghunath Singh: May I know whether the manufacture of electric locomotives was also studied by this team?

Shri Shahnawaz Khan: They were taken round and shown the line capacity works, doubling, yard remodeling, electrification etc., and they were taken round various workshops, and they saw what was going on.

Shri D. C. Sharma: What is the amount of loan that is being asked from the World Bank for the modernisation and remodelling of railways?

Shri Shahnawaz Khan: So far, we have received a loan of 225 million dollars; it is likely that a further loan of 30 million dollars may be negotiated with the Bank shortly.

Shri T. B. Vittal Rao: The World Bank loans are being granted at a very high rate of interest. May I know whether this third loan will also be at the same high rate of interest of 5½ to 6 per cent per annum?

The Minister of Railways (Shri Jagjivan Ram): I do not think we can call it a very high rate of interest. The Finance Ministry is there to negotiate the loan, and when it thinks the terms are favourable, we accept the loan; also to meet our requirements of foreign exchange, we have to take it.

Shri Hem Barua: What is the purpose of this World Bank team moving about in the country? Is it to assess the need or the conditions for fresh loans, or just to examine and see the working of the loans that they have already given?

Shri Jagjivan Ram: Generally, the team comes when they have to advance a loan to see the working of the railways, and to see how far the Second Five Year Plan, so far as the foreign exchange component is concerned, has been implemented.

Shri D. C. Sharma: May I know the purpose for which the loan was asked, and whether there was any meeting between the Minister and the World Bank mission to clarify the position and to explain it?

Shri Shahnawaz Khan: The loan is given for development and modernisation of the Indian railways. The team did not meet the Minister.

Shri Goray: May I know whether this team has the authority to criticise any of the schemes that have been worked out?

Shri Jagjivan Ram: As has been said, they will submit their report to the World Bank, but so far as our information goes, they have spoken very highly of the Indian railways.

Pay Commission's Recommendations

*1562. **Shri S. M. Banerjee:** Will the Minister of Transport and Communications be pleased to state:

(a) whether any special officer has been appointed or deputed to discuss the various recommendations of the Pay Commission with the employees' representatives of Civil Aviation;