

कि जो डिमंड्स ऐलाउंस का आवा  
हिस्सा तन्खाहों में डाल दिया गया है उस से  
गवर्नमेंट सर्वेंट्स को अपनी पेनशन के  
सामले में कायदा पहुंचाया, और सार साय  
यह भी ठगबाज किया गया है कि उस की  
तन्खाह के बड़े जान की वजह से जो १०  
फी सदी मकान का किराया लिया जाता था  
बहु पुरानी तन्खाह पर तो १० की सदी  
ही लिया जावेगा, लेकिन जो ऐलाउंस का  
आवा हिस्सा मिलाया जायेगा उस पर सिर्फ  
५ फीसदी लिया जावेगा। इस तरह से कुछ  
किराये का भी कायदा ही जावेगा।

**Shri K. Subrahmanyam:** Is it not a fact that most of the labour organisations barring those controlled by the Congress Party's Labour Front 'INTUC' demanded cent. per cent. merger of dearness allowance with the basic wages, and if so what are the calculations which led to the rejection of this demand?

**Shri Tyagi:** According to my information, the Committee issued a questionnaire to about 275 recognised unions of the Central Government employees, and to the State Governments, and also invited the co-operation of the public through the Press; besides collecting written evidence, it also recorded oral evidence from the representatives of the Central Government servants, and prominent non-officials at Bombay, Madras, Nagpur, Calcutta, Lucknow, Kanpur and Delhi. It also had personal discussions with leading economists like Dr. C. N. Vakil, the Director of the University School of Economics and Sociology, Bombay.

**Mr. Deputy-Speaker:** That is not asked by the hon. Member. What he wanted was whether the INTUC made any representation and if so what those representations were.

**Shri Tyagi:** If my hon. friend wants to know what each one of these people who came and gave evidence demanded, then it is not possible for me just now to recollect.

**Shri K. Subrahmanyam:** Is it a fact that.....

**Mr. Deputy-Speaker:** If it is already a fact, why does the hon. Member want to put a question on that?

**Shri K. Subrahmanyam:** I want to know whether it is a fact or not.

**Mr. Deputy-Speaker:** The hon. Member has evidently read the report. What is it that he wants?

**Shri Damodara Menon:** He wants to know the reason for rejecting that demand.

**Mr. Deputy-Speaker:** Why not the hon. Member read the report? In so far as these reports are concerned, I would urge upon all hon. Members to read the report which will speak for itself. If there is anything lacking or some more explanation is necessary, then that might be put down for Questions.

**Shri S. S. Mure:** Was it laid on the Table of the House?

**Mr. Deputy-Speaker:** A summary has been laid, I think.

**Shri Tyagi:** It was placed on the Table of the House.

#### LOAN FROM WORLD BANK

\*1950. **Shri Namasudra:** Will the Minister of Finance be pleased to state:

(a) whether it is proposed to take a loan from the World Bank to supplement the resources of the Industrial Finance Corporation;

(b) whether negotiations have been conducted for such a loan;

(c) the amount which is proposed to be borrowed and the terms on which the loan is being taken;

(d) the period of repayment and the rate of interest;

(e) whether the loan is being taken in dollars;

(f) if so, would it have to be spent in the USA or Dollar Area countries; and

(g) the purpose for which it could be utilised?

**The Deputy Minister of Finance (Shri M. C. Shab):** (a) Yes, a loan is proposed to be taken direct by the Industrial Finance Corporation of India.

(b) Negotiations of the proposed loan have been going on.

(c) The amount of the loan has been tentatively fixed at eight million dollars. The terms of the loan have not yet been finalised but the loan will have to be guaranteed by the Government of India both as regards payment of interest and repayment of principal.

(d) Not yet finalised but the International Bank has tentatively suggested interest at 4½ per cent. for a loan to be repaid in 12 years, provided the loan is finalised immediately.

(e) The amount of the loan will be expressed in equivalent number of dollars, but will be availed of in the several currencies in which borrowers of the Industrial Finance Corporation of India will pay for the machinery imported from foreign countries.

(f) Not necessarily. The Industrial concerns borrowing from the Industrial Finance Corporation are free to purchase machinery in any country they choose and the Corporation will pay out of the borrowed fund in any currency demanded by the manufacturers of the machinery.

(g) The loan is meant for the industrial development of India and will be available for meeting the foreign currencies expenditure required by the Industrial concerns financed by the Corporation for paying for imported capital goods.

**Shri Nanadas:** May I know, Sir, whether Government is prepared to guarantee any loan floated internally for similar purposes? If not, why not?

**Mr. Deputy-Speaker:** I won't allow this. How does this arise out of it? It is only a loan from the World Bank. We have spent four or five days over the Industrial Finance Corporation and this was the main subject matter. And how do we jump to internal loans?

**Kumari Annie Mascarene:** May I know whether we have any assets in the World Bank?

**Shri M. C. Shah:** At least we are a member contributing to the capital of the World Bank. I have already stated...

**Kumari Annie Mascarene:** I want to know the amount, please.

**Shri M. C. Shah:** The total subscription is 400 million dollars. We have to pay 80 million dollars in the first instance as called upon. We have paid 8 million in dollar currency and we have paid the rest in Indian rupees and non-negotiable non-interest bearing bonds kept with the Reserve Bank of India in the account of the International Bank for Reconstruction and Development.

**Kumari Annie Mascarene:** May I know the rate of the Rupee with regard to Sterling?

**Mr. Deputy-Speaker:** That does not arise out of this question.

**Shri Nanadas:** May I know whether the income accruing out of the World Bank loan will be subject to income-tax?

**Mr. Deputy-Speaker:** In their hands? How is the loan liable to income-tax?

**Shri Tyagi:** It is not subject to income-tax.

**Shri T. K. Chaudhuri:** The hon. Minister gave an indication that the International Bank had demanded an interest of 4½ per cent. Apart from this interest and apart from the Government guarantee which is required under the Charter of the International Bank, is there any other guarantee or any other security demanded by the International Bank?

**Shri M. C. Shah:** No, Sir. No other guarantee or no security.

**Shri T. N. Singh:** May I know if the World Bank sent any Mission to India to report on the loans being granted by the I.F.C. and if so, what is the report?

**Shri M. C. Shah:** Yes, Sir. A Mission had come here. They had discussed first in India the question about the loans being granted by the Industrial Finance Corporation. Not only that they had already inspected certain works to which the Industrial Finance Corporation had given loans, and they had just seen ten such works, and they were satisfied. Rather, they said that the Industrial Finance Corporation had acted in a very conservative way, and were following a very sound economic policy. Thereafter, the officials of the International Bank had come here to negotiate about the terms. The whole matter was discussed with the Finance Ministry officials and the matter was then pursued further, and thereafter, they invited a delegation from the Government of India to come to Washington to negotiate, and Mr. Sonalkar had gone there.

**Shri N. Sreekantan Nair:** May I know whether it is because of the satisfaction of the representatives who came to inspect the work of the Industrial Finance Corporation, that they wanted a security from the Government?

**Mr. Deputy-Speaker:** This is a loan to a corporation—the Industrial Finance Corporation. Therefore, they want security. Those works have not been undertaken by the Industrial Finance Corporation.

**Shri N. Sreekantan Nair:** The Minister said that they were satisfied with...

**Mr. Deputy-Speaker:** It is their usual practice.

**Shri V. P. Nayar:** May I know whether the World Bank has submitted any report after investigation in India, and whether it would be possible for the Government to lay on the Table of the House a copy of such a report, if any?

**Shri M. C. Shah:** They had submitted a report, but it is not possible for the Government to place that on the Table of the House.

**Shri Natesan:** May I know what would be the eventual commitment of the Government of India with the World Bank: (1) by way of loans, and (2) by way of guarantees?

**Mr. Deputy-Speaker:** This matter was debated. There was a complaint that there was no upper limit fixed. What is the good of asking the same thing. I do not think it is useful to ask.

**Shri S. N. Das:** In reply to part (g) of the question, the hon. Minister has stated that the loan was meant for industrial development. May I know, Sir, the specific industries for which these loans are being given?

**Shri M. C. Shah:** The Industrial Finance Corporation had issued a questionnaire to all the States, commercial concerns, banks etc., and they have tried to assess how much will be required for these industrial concerns.

**Mr. Deputy-Speaker:** Next question. No. 1002.

श्री एम. एल. द्विवेदी : उपस्थित महोदय, प्रश्न नम्बर १००१ के सामने "बीमिटेड" लिख दिया गया है। मैं जानना चाहता था कि जब यह प्रश्न स्वीकार कर लिया गया तो फिर "बीमिटेड" इस के आगे क्यों लिखा गया ?

**Mr. Deputy-Speaker:** Is it by the hon. Member?

**Shri M. L. Dwivedi:** No, it was not in my name.

**Mr. Deputy-Speaker:** What is that question?

**Shri M. L. Dwivedi:** The question number is 1001, but there it is stated "omitted". I have seen this practice for the first time in the question

paper. I wanted to know the reason why, after all, the question had been admitted, it is mentioned here as 'omitted'.

**Mr. Deputy-Speaker:** Now, the hon. Member need not table a question. There is no question here. So, what is the question I have to put to the House?

Of course, if questions are *prima facie* admissible, they are noted. They are sent to the Ministry, and then the Ministry says that the question has been already answered. In those circumstances, occasionally such things happen. This is the first time it has happened. It is unnecessary to go into the matter and take up the time of the House. I could have understood if the hon. Member had tabled a question and it was omitted. Possibly, the question might have been withdrawn.

#### SUBSIDIARIES OF BRITISH AND AMERICAN COMPANIES

\*1002. **Shri Tushar Chatterjee:** Will the Minister of Finance be pleased to lay on the Table of the House a statement containing:

(a) a list of all subsidiaries of British companies operating in India;

(b) the list of all subsidiaries of American companies operating in India; and

(c) a list of foreign companies registered and operating in India with rupee capital together with their investment and country of origin?

**The Deputy Minister of Finance (Shri M. C. Shah):** (a) and (b). Statements giving the required information as far as available with Government are placed on the Table of the House. [See Appendix VI, annexure No. 1.]

(c) The information is not readily available and its collection will involve a disproportionate amount of labour.

**Mr. Deputy-Speaker:** I believe the House is not in a mood to put any supplementary questions. I will proceed to the next question.

**Shri Tushar Chatterjee:** Sir, I want to put one question. What is the total American capital invested in each of the companies, and what is the proportion of that capital to the total capital of the country?

**Shri M. C. Shah:** I have already replied to that in (c).