

### Loans to Foreign Countries

933. { Shri Ram Krishan  
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Shri Bansal:

Will the Minister of Finance be pleased to state the amount actually given to foreign countries so far as loan and grant, country-wise?

The Minister of Finance and Iron and Steel (Shri T. T. Krishnamachari): Since independence, two loans of Rs. 3 lakhs and Rs. 75,000/- have been given to Indonesia. Grants totalling about Rs. 4.05 crores have been given to Nepal and a provision of Rs. 1.45 crores exists in the current year's budget for the same purpose.

Shri Ram Krishan: May I know the total amount of the grant given to Indonesia?

Shri T. T. Krishnamachari: I said two loans of Rs. 3 lakhs and Rs. 75,000 have been given. The total is Rs. 3,75,000/-.

Shri Bansal: May I know if any loan or grant has been sanctioned to the Government of Burma?

Shri T. T. Krishnamachari: Yes Sir. We had agreed to give a loan of Rs. 20 crores. But that was not availed of during the period for which we said we would give the loan. Now, the same agreement is being repeated.

### Naval Exercises

934. { Shri D. C. Sharma:  
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Shri Bhagwat Jha Azad:

Will the Minister of Defence be pleased to refer to the reply given to the last supplementary raised on Starred Question No. 994 on the 13th August 1956 and state the names of the countries which took part in those naval exercises during 1956?

The Deputy Minister of Defence (Sardar Majithia): India, the United Kingdom, Australia, Ceylon and Pakistan.

Shri D. C. Sharma: May I know if we are on terms of reciprocity with countries other than the Commonwealth countries, and if so what are the names of those countries?

Sardar Majithia: I do not quite grasp what the hon. Member means by reciprocal arrangements. It is well-known that India has got very friendly relations with all the countries in the world.

Shri D. C. Sharma: I mean countries other than those mentioned by the hon. Minister and, if so, how many of them reciprocate in this?

Sardar Majithia: If the hon. Member wants to know whether our Navy has taken part in exercises with other Navies as well, not last year but years previous to that we have paid visits to other countries and we have taken part in exercises with their Navies.

Shri D. C. Sharma: I have not been able to hear the answer given.

Mr. Speaker: He said that year before last and years before we have taken part in exercises with other countries.

Sardar Majithia: Every year our Navy goes out on a cruise and during that cruise exercises are carried on in conjunction with other Navies of the world.

Shri Joachim Alva: It was reported by a particular Labour Member in the House of Commons that as a result of the Anglo-French attack, ciphers and codes were seized or known to the U.S.A. May I know whether there is any, and if so, what, effect on our own vessels taking part in these exercises by this seizure of the ciphers and codes?

Sardar Majithia: That only took place recently and none of our ships were there during that time. Therefore the question does not arise.

### European Free Trade Area

935. { Shri Bansal:  
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Shri Sadhan Gupta:  
Shri Velayudhan:  
\*935. { Shri D. C. Sharma:  
Dr. Ram Subhag Singh:  
Shri H. N. Mukerjee:  
Shri K. P. Tripathi:

Will the Minister of Finance be pleased to state:

(a) whether Government have received a Plan from the United Kingdom Government regarding the formation of a European Free Trade Area;

(b) if so, the main features of the Plan; and

(c) whether Government have taken any decision in this regard?

The Minister of Finance and Iron and Steel (Shri T. T. Krishnamachari): (a) Yes.

(b) The main features of the proposal as at present known to us are:

(i) There is to be an outer ring of a Free Trade Area around the customs union of the six countries of the European Coal and Steel Community.