

**THE MINISTER OF FINANCE (SHRI H. M. PATEL):** (a) The James Raj Committee, which was appointed by the Reserve Bank of India to study the functioning of Public Sector Banks, submitted its Final Report to the Reserve Bank in April, 1978.

(b) to (d). The recommendations contained in the Report are under examination in the Reserve Bank.

#### **Rupeeisation of sterling tea companies**

951. **SHRI P. K. KODIYAN:** Will the Minister of FINANCE be pleased to state:

(a) whether the examination of the cases of rupeeisation of Sterling tea companies has been completed;

(b) if so, the details thereof; and

(c) if not, the progress so far made and when it will be completed?

**THE MINISTER OF FINANCE (SHRI H. M. PATEL):** (a) to (c). The Indianisation proposals of 21 sterling tea plantation companies, including outright sale in two cases, have so far been approved. The number of cases of sterling tea plantation companies still to be settled is 55. Of these, 27 cases are in an advanced stage of consideration and will be finalised shortly. The remaining 28 cases are also expected to be completed within the next few months.

#### **Merger of D.A. with basic pay of Central Government Employees**

952. **SHRI KIRIT BIKRAM DEB BURMAN:**

**SHRI M. RAM GOPAL REDDY:**

**SHRI RAJENDRA KUMAR SHARMA:**

**SHRI V. G. HANDE:**

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the talks between the representatives of the Government and the Central Government employees in the Joint Consultative Machinery failed on the question of merger of whole or part of the D.A. with basic pay as payable to these employees upto the price index level of 272 as contemplated in the Third Pay Commission Report;

(b) if so, the details of the differences that remained unresolved; and

(c) what further steps are being taken to come to a settlement in this regard?

**THE MINISTER OF FINANCE (SHRI H.M. PATEL):** (a) to (c). A demand had been made by the Staff Side of the National Council of the Joint Consultative Machinery for the merger of Dearness Allowance sanctioned to the Central Government employees upto the index average level of 272 with pay at least for retirement benefits. This was recently discussed with the Staff Side of the Standing Committee of the National Council but no agreement could be reached. The demand will now be referred to Arbitration.

#### **Aid from Sweden**

953. **SHRI KIRIT BIKRAM DEB BURMAN:** Will the Minister of FINANCE be pleased to state:

(a) whether Sweden has recently agreed to extend a grant of Rs. 50.37 crores (Skr. 270 million) in aid of India;

(b) if so, the terms of the agreement; and

(c) whether Governments have also agreed to write off all debts due from India; if so, the total extent of the write off?

**THE MINISTER OF FINANCE (SHRI H. M. PATEL):** (a) Yes, Sir.

(b) The entire amount of assistance is on a grant basis. A part of this assistance amounting to Skr. 100 million (Rs. 18.66 crores) is tied to imports from Sweden, while of the balance, Skr. 65 million (Rs. 12.12 crores) is for Technical Assistance, and the remainder is for imports from any country of the world.

(c) The Government of Sweden has agreed to cancel all debts on development credits outstanding as on 30th June, 1978. All financial obligation on the part of Government of India as regards repayment of principal and payment of interest and service charges under the past development credits shall stand extinguished. The Swedish Government shall convey to the Indian Government before 1st October, 1978 the total amount of the financial obligations thus waived. However, the tentative estimate of the debts that have been cancelled is Rs. 100.74 crores (Skr. 540 million).