

Modernisation of Arms and Equipment for Defence Forces

854. DR. RAFIQ ZAKARIA: Will the Minister of DEFENCE be pleased to state:

(a) whether Government have prepared a scheme for modernisation of arms and equipment for the Defence Forces in order to provide greater fire power and mobility;

(b) if so, what are the essential features of this scheme and whether it has taken into account the latest technological improvements in this field; and

(c) whether the Vijayanta tanks are proposed to be replaced by some more modern weapons?

THE MINISTER OF DEFENCE (SHRI JAGJIVAN RAM): (a) and (b) Modernisation of the armed forces is a continuous process. Weapons and equipment are continually updated in the light of defence needs, the developments in our security environment, and the resources available. Scientific and technological developments in the field of Defence play an important part in this process. The provision of greater fire power and mobility are indeed, essential features in replacement and modernisation programmes. Our Defence Plans provide for the acquisition and production of modern weapons system to meet Defence needs in keeping with the latest technological developments.

(c) There is no such proposal at present. It may however be replaced by a more modern Battle tank, in due course.

Advancing of loans by the Shipping Development Fund

855. SHRIMATI MAIMOONA SULTAN:

SHRI SATPAUL MITTAL:

SHRI SYED AHMED HASHMI:

Will the Minister of SHIPPING AND TRANSPORT be pleased to state:

(a) whether it is a fact that the

Shipping Development Fund has given loans amounting approximately to Rs. 600 crores to the different shipping magnates;

(b) if so, what is the amount of loan given in each case and what is the rate of interest chargeable thereon; and

(c) how does this rate of interest compare with that charged on loans given to entrepreneurs proposing to set up small industries?

THE MINISTER OF STATE IN CHARGE OF THE MINISTRY OF SHIPPING AND TRANSPORT (SHRI CHAND RAM): (a) The Shipping Development Fund Committee has disbursed Rs. 676 crores as loans to the various shipping companies since its inception upto 31st March, 1978.

(b) A statement is attached indicating the particulars of loan given in each case.

Loan sanctioned after 1st February, 1971 carry a uniform rate of interest at 8 per cent per annum, payable half yearly on 30th June and 31st December every year. However, if the principal and interests are promptly paid on due dates and all the terms and conditions of the loan agreement are strictly complied with, interest at the concessional rate of $4\frac{1}{2}$ per cent per annum is being charged.

(c) The nature of operation of shipping industry is totally different from other industries and, therefore, there can be no comparison with reference to the developmental assistance given in the shape of loans by the Shipping Development Fund Committee for acquisition of ships. The rate of interest on Shipping Development Fund Committee loans is lower when compared to the interest charges on loans granted by other financing agencies.