

RAJYA SABHA

Monday, 20th September 1954

The House met at eleven of the clock, Mr. CHAIRMAN in the Chair.

MEMBER SWORN

SHRI Mriganka Mohan Sur (West Bengal).

ORAL ANSWERS TO QUESTIONS

*393. SHRI V. K. DHAGE: Will the PRIME MINISTER be pleased to state what is the nature and the value of the aid given or proposed to be given by India to Nepal?

THE DEPUTY MINISTER FOR EXTERNAL AFFAIRS (SHRI ANIL K. CHANDA): The Government of India have agreed in principle to extend financial and technical assistance on a few approved development projects in Nepal, such as the building of new roads, the establishment of power and irrigation projects, the running of health and medical schemes and the construction of minor irrigation works. The total cost of these projects, according to present estimates, is Rs. 6,30,10,000. Out of this a sum of Rs. 1½ crores has already been spent.

SHRI V. K. DHAGE: May I know what are the terms on which this loan has been advanced?

SHRI ANIL K. CHANDA: It is not a loan; it is a grant.

SHRI S. MAHANTY: Is it a fact that the grant of such financial aid to Nepal has caused much discontent and dissatisfaction against India?

SHRI JAWAHARLAL NEHRU: Is the hon. Member asking whether the grant has caused dissatisfaction?

SHRI S. MAHANTY: Yes.

SHRI JAWAHARLAL NEHRU: It may have caused dissatisfaction to some, but it has caused great satisfaction to most others.

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SHRI S. MAHANTY: Is it a fact that a certain section of political opinion in Nepal considers that this is a sort of roping in Nepal into what they call the orbit of Indian imperialism?

MR. CHAIRMAN: What happens in a certain section does not matter.

SHRI JAWAHARLAL NEHRU: We are concerned with the great majority of the people.

*394. [The questioner (Shri Lalchand Hirachand Doshi) was absent. For answer, vide col. 2661 infra.]

LOAN TO TATA IRON AND STEEL COMPANY

*395. SHRI P. C. BHANJ DEO: Will the Minister for COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have advanced a loan of Rs. 10 crores to the Tata Iron and Steel Company; and

(b) if so, the rate of interest charged thereon?

THE MINISTER FOR COMMERCE (SHRI D. P. KARMARKAR): (a) Yes, Sir.

(b) The loan will bear no interest till 1st July 1958 or such later date as may be mutually agreed upon. The rate of interest to be charged thereafter will be determined by Government on the advice of the Tariff Commission.

SHRI P. C. BHANJ DEO: May I know if this loan is being given from the Iron and Steel Equalisation Fund?

SHRI D. P. KARMARKAR: Yes.

SHRI P. C. BHANJ DEO: May I know, how much money will be left in this fund after the amount is given to the Tatas?

SHRI D. P. KARMARKAR: I would require notice.

SHRI P. C. BHANJ DEO: May I know whether the Tatas, I mean