

(b) if so, with what result?

**The Minister of Planning and River Valley Schemes (Shri Nanda):** (a) The proposal for the establishment of an Arid Zone Research Station was not, as such, put up before the Arid Zone Research Committee of the UNESCO. Only a request for providing the services of a geophysical expert and a financial contribution of Rs. 3,60,000 out of a total estimated cost of Rs. 26,70,000 for the project was forwarded to the UNESCO.

(b) The proposal is under the consideration of the United Nations.

**Shri V. P. Nayar:** May I know whether Government have considered the possibility of introducing a lea-crop cultivation or protective afforestation for these arid areas?

**Mr. Speaker:** I am afraid it is a suggestion for action. Questions should be put for eliciting information and not for making suggestions for action.

#### CURRENCY

**\*65. Shri Hukam Singh:** Will the Minister of Finance be pleased to state:

(a) whether our currency has been contracted during the last six months;

(b) if so, to what extent; and

(c) whether Government propose to effect any credit contraction during the next six months?

**The Minister of Finance (Shri C. D. Deshmukh):** (a) No, Sir.

(b) Does not arise.

(c) It is difficult to prophesy what the conditions will be like during the next six months. In any case the matter is one for the Reserve Bank of India to decide.

#### WORLD UNIVERSITY SERVICE

**\*66. Shri M. L. Dwivedi:** Will the Minister of Education be pleased to lay on the Table of the House a copy of the aims and objects of the Delhi Committee of the World University Service, and state:

(a) whether any survey of student community is contemplated;

(b) if so, the purpose thereof; and

(c) whether the Government of India are co-operating with the scheme in any way?

**The Minister of Communications (Shri Jagjivan Ram):** A statement of

aims and objects of the World University Service, with certain additional information, is placed on the Table of the House. [See Appendix I, Annexure No. 23.]

(a) and (b) Yes, Sir. The Service proposes to survey the social and economic conditions of College students in Delhi State.

(c) The Government of India are sympathetic towards the aims and objects of the World University Service but have received no request from the Service in respect of this scheme.

**Shri M. L. Dwivedi:** May I know, Sir, the name of the countries in which this kind of service is in vogue?

**Shri Jagjivan Ram:** I have not got the names of all the countries; but its headquarters are in Switzerland, I think.

**Shri M. L. Dwivedi:** Has this committee commenced its work; if so, when?

**Shri Jagjivan Ram:** The Indian Committee has commenced its work and a National Committee has been formed with headquarters at Delhi. This service was formed in 1950 and it has commenced its work.

**Shri M. L. Dwivedi:** May I know, Sir, if Government gave any kind of financial assistance to this committee?

**Shri Jagjivan Ram:** Not yet.

**Shri S. C. Samanta:** May I know, Sir, how many other local committees have been formed till now, excepting Delhi?

**Shri Jagjivan Ram:** Committees have been formed at Aligarh, Calcutta, Patna, Agra, Allahabad, Delhi, Madras, Bombay, Hyderabad and Gauhati.

**Shri S. C. Samanta:** May I know, Sir, what is the amount of assistance given annually?

**Shri Jagjivan Ram:** Local committees are expected to raise their own funds from the contribution from members and some help might come from the World Universities' Services; but that has not yet been decided.

#### COLOMBO PLAN

**\*67. Shri Velayudhan:** Will the Minister of Finance be pleased to state:

(a) what are the various items of the Colombo Plan which are linked with the Five Year Plan of the Government of India; and

(b) whether the Colombo Plan has in any way changed the time schedule of the Five Year Plan?

**The Minister of Finance (Shri C. D. Deshmukh):** (a) The Colombo Plan is a Six Year Development Plan. Accordingly, the only difference between the plan of the Government of India included in the revised Colombo Plan and the Five Year Plan is that the probable expenditure on development for an additional year not covered by the latter is included in the former. There is no other difference of substance.

(b) No, Sir.

**Shri Velayudhan:** May I know, Sir, how far this change will affect the internal and external loan which was envisaged in the Five Year Plan?

**Shri C. D. Deshmukh:** As I said, Sir, there has been no change.

**Shri Velayudhan:** May I know, Sir, whether there is any change or change in timing regarding the various plans contemplated in the Five Year Plan, because it has been extended to six years, as the Finance Minister himself said in one of his speeches in Bombay?

**Shri C. D. Deshmukh:** No, Sir. Since we have a Five Year Plan which is in draft outline and since for the purpose of the Colombo Plan we wanted a six year plan, all that we had to do is to project as best as we could the Five Year Plan into the sixth year. That makes no difference to all the works that are included in the Five Year Plan.

**Shri Velayudhan:** Does it mean, Sir, that the Six Year Plan will not have anything to do with the Five Year Plan?

**Shri C. D. Deshmukh:** For the first five years, they are identical in substance.

#### LOANS FROM INTERNATIONAL BANK

\*68. **Shri B. R. Bhagat:** Will the Minister of Finance be pleased to refer to the reply to starred question No. 41 for 8th February, 1952 regarding loan from International Bank and state the nature and the amount of the loan and the time when it will be granted?

**The Minister of Finance (Shri C. D. Deshmukh):** The International Bank is taking steps to make a technical scrutiny of projects which are considered suitable for grant of loans. The nature and the amounts of loans will be discussed with the Bank after the conclusion of this appraisalment.

**Shri B. R. Bhagat:** May I know, Sir, whether the Government of India had made an application for a loan and if

so for what purpose and what is the amount?

**Shri C. D. Deshmukh:** The time for making an application has not arrived. But certain projects were submitted to the Bank for preliminary consideration and of these the Bank have indicated five which might on examination qualify for a loan.

**Shri B. R. Bhagat:** The hon. Minister in reply to question No. 41 on the 8th February said that the International Bank Mission which visited India in the early part of the year has submitted a report to the executive of the International Bank and the report is being considered by them. May I know whether the Executive Committee has come to a decision on the report, and if so, what is their decision?

**Shri C. D. Deshmukh:** That report, Sir, was on the general economic conditions in India as a preparation for possible negotiations for a loan. To my knowledge the report has not yet come before the Executive Board for discussion.

**Shri B. Das:** May I enquire if the Government of India have represented to the International Bank about the high rate of interest that they are charging and whether they will limit it to 3½ per cent. to the borrowing countries?

**Shri C. D. Deshmukh:** We have made no such representation, Sir, and the matter of the level of the interest rate charged by the International Bank has been explained in the past. It includes an element for commission as well as an element for building up reserves over and above the actual rate at which the Bank is able to raise loans in the open market in the United States of America.

**Shri A. C. Guha:** May I know what are the projects that have been taken up by the World Bank.

**Shri C. D. Deshmukh:** The projects about which preliminary discussion is going on are these:

Loans to the Industrial Finance Corporation;

Loans for the purchase of railway equipment;

Loans for the Damodar Valley Corporation;

then Mysore Fertiliser Project and a pig iron project.