

nery, synthetics and manmade-fibres, and machinery and equipment for modernisation of industry. These are broadly covered by the policies already being pursued by Government.

(d) Besides liberalising imports, particularly of items which cater to mass consumption such as edible oils, textile fibres etc., the Reserve Bank have also adopted various credit policy measures to curb inflationary pressures.

Loan Agreement with Canada

2464. **SHRI G. V. KRISHNAN:**
SHRI RAJ KESHAR SINGH:

Will the Minister of **FINANCE** be pleased to state:

(a) whether there has recently been any agreement between the Government of Canada and India regarding loan, for Canadian fertiliser and fertiliser material during the current financial year; and

(b) if so, the details thereof as well as the details regarding its utilisation?

THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. M. PATIL): (a) Yes, Sir.

(b) A loan Agreement for C \$32 million was signed with the Government of Canada on 6th October, 1977 for financing the import of fertilisers and fertiliser materials (Muriate of Potash, Urea and Sulphur) and freight costs thereof. The loan carries no interest, service or commitment charges and is repayable in 50 years, including a grace period of 10 years.

Muriate of Potash worth about C \$32 million has so far been contracted for against the loan. This is expected to be shipped in full by the end of March 1978.

Change in valuation procedure of Wealth Tax on Immovable Property

2465. **SHRI G. V. KRISHNAN:** Will the Minister of **FINANCE** be pleased to state:

(a) whether Government propose to change the valuation procedure adopted for purposes of wealth tax on immovable property; and

(b) if so, the details regarding the policy of Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ZULFIQARULLAH): (a) and (b) Section 7 (1) of the Wealth-tax Act, 1975 provides that subject to any rules made in this behalf, the value of any asset, other than cash, for the purposes of levy of wealth-tax, shall be estimated to be the price which in the opinion of the Wealth-tax Officer it would fetch if sold in the open market on the valuation date. Government proposes to frame rules under section 7(1) of the Wealth-tax Act for the purpose of valuation.

Direct Flight from Trivandrum to Gulf Countries

2466. **SHRI K. A. RAJAN:**
SHRI C. K. CHANDRAPPA:

Will the Minister of **TOURISM AND CIVIL AVIATION** be pleased to state:

(a) whether Government have decided to start direct flight from Trivandrum to Gulf countries;

(b) if so, the details and by when it is expected;

(c) whether Government are aware that the accommodation problem at the airport will be more acute with the introduction of the new international flights; and

(d) if so, whether Government propose to build a new terminal building with the modern facilities to meet this problem, if so, the details?