

It is only for the purpose of helping the refugees.

Utilisation of PL 480 Funds

*125 SHRI M. KATHAMUTHU : SHRI SURENDRA MOHANTY : Will the MINISTER OF FINANCE (VITTA MANTRY) be pleased to state : (a) the progress made in the negotiations between India and U.S.A. for utilising the accumulated PL. 480 Rupee funds in India ;

(b) the concrete proposals that are being discussed in this connection ; and

(c) when the final decision is likely to be taken in the matter ?

THE MINISTER OF FINANCE (VITTA MANTRI) (SHRI YESHWANT RAO CHAVAN) (a) to (c) The utilisation of a part of the accumulated PL. 480 funds for technical and agricultural education and for housing and urban development has been under discussion with the U.S. authorities. In this context, the question of creating endowments for these activities is being discussed. These discussions have not yet reached a stage where formal proposals emerged. These matters involving inter-governmental decisions will take time to mature. Meanwhile, the funds remain invested in the Government of India securities.

SHRI M. KATHAMUTHU : The total accumulation of PL 480 is about Rs. 2,500 crores as on November 1970. Now it might be more. The hon. Minister said that discussions are going on as to how to utilise these funds in agricultural education and other things. I want to know whether Government put forward any proposals to utilise the funds for the development of the country in such fields as the building of basic industry.

Is it not a fact that U.S. authorities are not agreeing to utilisation of the funds for these development projects, but are agreeing only for agricultural college and for creating some endowment ?

SHRI YESHWANTRAO CHAVAN : It is only a constructive effort to make use of these funds for developmental activities. Proposals for two or three types of endowments are being formulated and discussions are going on. As I told you, these inter-governmental discussions raise many complex issues and a decision on them takes time.

SHRI S.M. BANERJEE : That money will be kept like that till the discussion is completed ?

SHRI YESHWANTRAO CHAVAN : That money will be certainly invested in the endowment and the interest from the endowment will be used for the developmental activities. That is the basic plan now. That does not cover the entire PL. 480 funds. Let us also be clear about it. I do not want to give that impression, because at the present moment there are certain investments in securities ? Besides funds which have been given by way of rupee loan, are supposed to be paid in the course of the coming 40 years, and as repayments become due, the funds are credited to PL-480 account. Thus funds get accumulated. That general question of PL. 480 funds will also have to be gone into in detail, and some examination of the problem has also been undertaken.

SHRI M. KATHAMUTHU : May I know whether there is any concrete proposals put forward by the Government of India how to utilise these funds ?

SHRI YESHWANTRAO CHAVAN . As I said these are the proposals that have been made. The other funds taken as loan are already invested in certain Government securities. This money goes on accumulating after payment of interest and repayment of capital. What is to be done with that money ? That is the basic question that we have to deal with. About the money at present accumulated, the proposals to which I made a reference have been made.

SHRI P. VENKATASUBBAIAH : With regard to the accumulated PL. 480 funds, may

I know whether Government also contemplate constituting a sort of revolving fund in which the State Governments are also associated for undertaking various developmental activities in the States ?

SHRI YESHWANTRAO CHAVAN : For instance, in the case of the endowment for agricultural universities, it is the States which are going to run the universities. Naturally in any developmental activity that we undertake, the States will have a share.

SHRI M. RAM GOPAL REDDY
What is the total of the PL 480 fund and have we utilised any amount from that ?

Are we still purchasing foodgrains under PL 480

SHRI YESHWANTRAO CHAVAN : We are going to stop the purchase of foodgrains under PL 480 by the end of 1971. The total rupee deposits for PL 480 imports from 1960 to 31-3-1971 amount to Rs. 2234.38 crores and the interest accruals to the United States Government amount to Rs. 231.80 crores, so that the total is Rs. 2466.18 crores.

श्री इसहाक सम्मली : मे यह जानना चाहता हूँ कि पी० एल०-480 के रुपये के इस्तेमाल के बारे में सरकार ने क्या पालिसी बनाई है, इस रुपये पर किस का कंट्रोल है और किस चीजों पर यह खर्च किया जा सकता है। पी० एल०-480 के रुपये के बारे में बहुत बुरी बुरी खबरें फैली हुई हैं कि उससे न जाने क्या क्या हो रहा है। क्या सरकार को इस बात का नालेज या जानकारी है कि यह पैसा कितन कितन बतों पर खर्च होगा और कितना खर्च होगा ?

SHRI YESHWANTRAO CHAVAN : Yes, Sir, the Government is aware of the position because most of it is invested in Government securities. Naturally some part of it is used for U. S. usage in India and we are making provision in the Budget

for that. But we do not know the details of their internal expenditure. But we know what money has been withdrawn for U. S. usage.

SHRI SAMAR GUHA : Is it a fact that a part of PL 480 funds had been apportioned for rural electrification scheme in India and if so what is the amount ? Is it also a fact that the amount apportioned for West Bengal falls far short of the requirements of the State and if so may I know whether the Government will increase the amount for West Bengal for rural electrification ?

SHRI YESHWANTRAO CHAVAN : I have not got that particular figure. If you ask a specific question, I shall furnish information.

SHRI R. V SWAMINATHAN : In view of the fact that PL 480 funds accumulated due to import of foodgrains from the United States, will the hon. Minister consider a proposal to divert part of the funds if not the entire funds for agricultural development ?

SHRI YESHWANTRAO CHAVAN : The funds have been used in the Budget for the last so many years. There is no question of diverting it now. Some funds come under the ownership of the United States authorities and we have made proposals how to make use of that.

Conference of All India Bank Employees

126. **SHRI MUHAMMED SHERIFF :** Will the Minister of FINANCE (VITTA MANTRI) be pleased to state :

(a) Whether the All India Bank Employees Conference held in New Delhi in April, 1971 criticised Government for its failure to follow up the nationalisation of Banks with measures to make it a success ;

(b) whether Government have received a copy of the resolution passed at the Conference ;