

members and so on was decided by FICCI. So far as passports are concerned, they are not issued by the Commerce Ministry. Sir, the point is, if they are really offenders, then naturally they would not be allowed to go. If it is established by law, they shall not be allowed. I shall take that care. Henceforth if such demands come and if there is anybody who is being charge-sheeted, such people will not be allowed to go. I shall take that care.

MR. CHAIRMAN: Next question.

**Participation of LIC and GIC in rural Housing Projects**

726. SHRI CHARANJIT CHANANA:†  
SHRI KHURSHED ALAM KHAN:  
SHRI KALP NATH RAI:  
SHRI BHISHMA NARAIN SINGH:

Will the Minister of FINANCE be pleased to state:

(a) the extent of participation of the Life Insurance Corporation of India and the General Insurance Corporation of India in rural housing; and

(b) whether this participation is dependent upon the income derived from the rural insurance in the country?

**THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. M. PATEL):** (a) Life Insurance Corporation's contribution to the development of housing by way of financial assistance is through loans to State Governments for implementing their social housing schemes, state level Apex Co-operative Housing Finance Societies and Housing and Urban Development Corporation, General Insurance Corporation's contribution to housing development is through loans to Housing and Urban

Development Corporation. Upto 31st March, 1977 LIC's contribution by way of loans to these bodies amounted to Rs. 581.30 crores. The G.I.C. for the first time in the year 1977 has sanctioned an amount of Rs. 25 crores as loans to Housing and Urban Development Corporation.

The actual apportionment of loans as between the rural and urban areas of a State is done by the State Government and the above mentioned agencies in accordance with the priorities laid down by them for the purpose.

(b) The question of inter-dependence of investment in rural housing vis-a-vis rural life/general insurance business does not arise as the L.I.C.'s/G.I.C.'s investments in housing development do not operate on a distinct urban or rural pattern.

SHRI CHARANJIT CHANANA: Sir, I would like to inform the hon. Minister—and he can verify this fact also—that the data on rural housing development was supplied to Consultative Committee at its meeting in Bangalore in November, 1976. Thereafter the present Government has taken over and this Government claims a rural bias in development. I would like to request the hon. Minister to see that this data is available because the reply given by the hon. Minister is only on general housing development. Housing development is a very important part of the LIC and GIC investments. And what the hon. Minister has told us is about the urban development.

MR. CHAIRMAN: What exactly is your supplementary?

SHRI CHARANJIT CHANANA: I am asking a question as to the investments in rural housing development. If money is given to the State Governments without asking as to where the investment has gone, then it is a general investment. It is not an investment in rural housing. But I say that the Government has the data because as a member of the Consultative Committee, I know that the data was supplied to the Committee in November, 1976. I request the hon.

†The question was actually asked on the floor of the House by Shri Charanjit Chanana.

Minister to supply to me the data on rural housing development now.

MR. CHAIRMAN: You want that he should give more attention to rural housing?

SHRI CHARANJIT CHANANA: I want the data. During the nine months of the Janata Government, which claims a rural bias, what is the achievement of the LIC and the GIC in promoting rural development, specially housing development in rural areas?

SHRI H. M. PATEL: Sir, my answer was very clear. I said neither does the LIC nor does the GIC makes available funds direct for housing development. They make available these funds to the State Government or the Housing Development Corporation or the apex cooperative societies. It is for those bodies to decide how much should go to rural and how much to urban housing.

SHRI CHARANJIT CHANANA: My first question was about the data. The other question was this. The LIC also promotes housing development directly in the urban areas. Therefore, I wanted to know whether the LIC directly also promotes rural housing . . .

MR. CHAIRMAN: That the Minister has already answered.

SHRI H. M. PATEL: Sir, I have already said, the LIC does not itself directly promote housing. It gives loans and it is giving loans to individuals. But even there, there are certain difficulties. So, in the main LIC contribution towards housing development is done through giving funds to State Governments and the other two bodies which I have mentioned.

SHRI CHARANJIT CHANANA: Sir, the Minister has said, individuals. I am asking about individuals in rural areas.

MR. CHAIRMAN: About that he has already said.

SHRI CHARANJIT CHANANA: Sir, I am only quoting the honourable Minister.

SHRI H. M. PATEL: My answer is quite clear. Individuals who are policy-holders have the same right, whether they live in rural areas or in urban areas.

SHRI CHARANJIT CHANANA: The LIC is making loans available to individuals—individual policy-holders—whether the policy-holders live in rural areas or in urban areas. The classification is available with the LIC, whether a policy-holder lives in a village or whether a policy-holder lives in a town. You can always bifurcate them. My question is whether policy-holders in rural areas have been given loans for housing or not. Then . . .

MR. CHAIRMAN: How many questions are you going to ask? You cannot have the monopoly of putting so many supplementaries. I have allowed you so far because you are a new Member. You have asked one, two, three and so on. In this question you wanted to know about individuals and the Minister has already replied about it.

SHRI H. M. PATEL: I have given all the information that I can give. The main point is whether the LIC is assisting rural housing or not. I made it clear that the LIC does not itself undertake housing projects. It gives loans, and in the main it gives loans for housing development to the State Governments, urban cooperative apex societies and HUDCO.

SHRI KHURSHED ALAM KHAN: Sir, the honourable Minister said that the LIC does not directly invest any amount in rural housing projects. May I know whether a stipulation will be laid down that whatever loans are given to the State Governments, a certain percentage of those loans must necessarily be invested in rural housing schemes?

MR. CHAIRMAN: It is a suggestion.

SHRI H. M. PATEL: Certainly it is a suggestion. I can only say that we consider that the State Governments are even more interested in rural housing. But I would say the LIC will not lay down such a condition.

SHRI BHISHMA NARAIN SINGH: Sir, I want to know whether it is a fact that there are housing construction cooperative societies in the country and these cooperative societies have undertaken housing construction work in rural areas; if so, up to what extent the LIC gives loans to these cooperative societies, and what the rates of interest are.

SHRI H. M. PATEL: I have already given that information.

SHRI N. G. RANGA. You must go beyond that.

SHRI H. M. PATEL: But I cannot go beyond that. It is a question of policy. The LIC does not wish to involve itself into detailed allocation of funds. It considers that the State Government is the body whose duty it is to decide on policy as to how much should go for housing in urban areas and how much in rural areas.

MR. CHAIRMAN: He has asked about cooperative housing societies.

SHRI H. M. PATEL: Apex Co-operative housing societies are also given money. Those apex bodies will distribute it through other cooperative bodies.

SHRI L. R. NAIK: If I am right, recently the hon. Minister for Finance has made a statement that necessary instructions have been issued both to the Scheduled Banks and other banks not to give loans to individuals in rural areas for housing and if so what source of finance is left open to such individuals in the rural areas?

SHRI H. M. PATEL: I did not follow the question.

MR. CHAIRMAN: What source is there for individuals for housing?

SHRI H. M. PATEL: I can only say this. There are two States, namely, Maharashtra and Gujarat, which have formed very big schemes for rural housing and they have come for funds from the LIC not just for one year, but for several years. Other State Governments can similarly approach the LIC and funds will be made available to them also.

श्री नागेश्वर प्रसाद शाही : मैं मंत्री महोदय से जानना चाहूंगा कि क्या यह सही है कि जीवन बीमा निगम और सामान्य बीमा निगम, ये दोनों उत्तर प्रदेश और बिहार में अपना पैसा लगाने में अन्याय कर रहे हैं? श्रीमन्, मुन लें . . .

MR. CHAIRMAN: How can I? You are asking a supplementary which does not arise out of this. This is about participation by LIC and not about North or South.

श्री नागेश्वर प्रसाद शाही : जहां तक रुपया लगाने का सवाल है उत्तर प्रदेश और बिहार का अंश 10 फीसदी पड़ता है जबकि इन निगमों द्वारा रुपया लगाने का सवाल है तो वह केवल 5 प्रतिशत ही आता है। तो मैं मंत्री महोदय से जानना चाहता हूं कि वे क्या इस इम्बैलेन्स को, अन्याय को समाप्त करेंगे?

श्री सभापति : ठीक है।

SHRI H. M. PATEL: I have already said that so far as the Government is concerned and the LIC, to whom they can give instructions, is concerned, it is clear that it is the State Governments which must take action and if the State Governments are not active....

श्री नागेश्वर प्रसाद शाही : नो सर, नो सर, स्टेट गवर्नमेंट्स की कोजिग के बावजूद ये निगम बम्बई और गुजरात में ज्यादा पैसा लगाने हैं तथा उत्तर प्रदेश और बिहार की अवहेलना करने हैं। क्या यह सही है या नहीं?

श्री योगेन्द्र शर्मा : उत्तर प्रदेश और बिहार की सरकारें भी शिकायत करती हैं।

SHRI H. M. PATEL: No. May I just give this information? Uttar Pradesh had asked for loans and advances. Upto March 31, 1977, they have been given Rs. 23,83,00,000/-. The Housing Board had been given Rs. 2 crores and the apex cooperative organisation had been given Rs. 80 lakhs. The total amount of Rs. 23.83 crores was given to these three agencies by the LIC. Is there any unfairness in Bihar? The State Government had been given Rs. 16,61,00,000/-. The apex co-operative had asked for Rs. 50 lakhs and the Housing Board had not asked for any funds. May I request the hon. Members to press the State Government?

#### Raids conducted to unearth concealed income

\*727. SHRI KALYAN ROY: Will the Minister of FINANCE be pleased to refer to the answer to Unstarred Question 55 given in the Rajya Sabha on the 10th August, 1976 and state:

(a) what is the progress made by the Income-tax Department regarding assessment of the assets which were seized during the period from 1st January, 1976 to 30th June, 1976 and the details thereof;

(b) what are the results of the action taken by the Income-tax Department; and

(c) the number of premises raided in Bombay, Calcutta, Delhi and Ludhiana during January to November, 1977 and particulars of the items seized and the value thereof?

THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. M. PATEL): (a) and (b) Assets of the total value of over Rupees four crores were seized in the charges of the Commissioners of Income-tax, Bombay (including Central), Delhi (including Central) West Bengal (including Calcutta Central) and at Ludhiana (in the

charge of Commissioner of Income-tax, Patiala) during the period 1-1-1976 to 30-6-1976 in as many as 540 search and seizure operations. Collection of information from the field formations regarding progress of assessment result of action taken in respect of all the 540 cases will involve time and energy not commensurate with the results likely to be achieved. If the Honourable Member wants information regarding any particular case or group of cases, it will be gathered and furnished.

(c) Seventy-six premises (including 14 lockers) were searched at Ludhiana during the period January to November, 1977 resulting in seizure of cash of Rupees 3,65,437; jewellery valued at Rupees 2,00,557 and other assets of the value of Rupees 2,36,500/- Books of account and documents showing substantial concealment of income have also been seized. Requisite information in respect of the charges of the Commissioners of Income-tax at Delhi and Bombay and in West Bengal is being collected and will be laid on the Table of the House.

SHRI KALYAN ROY: Sir, this could have been laid on the Table of the House.

MR. CHAIRMAN: Yes. But, to individual questions, he says he is prepared to reply.

SHRI KALYAN ROY: Anyway, Sir, I will put my first question: Is it not a fact that as a result of a circular issued by Mr. Patel, the number of raids by the Income-Tax Officers has considerably declined? The number of searches conducted in 1976 was 540 and now it has come down to less than 100 and the month of December is nearly over now.

My second question is this: Is it not a fact that among the houses where searches were conducted, the houses belonging to the Jaipuria Group, the Modi Group, the Shakurji Phalanji Group and other Groups were involved and their total cash, jewellery, silver