

## RAJYA SABHA

*Tuesday, the 26th February, 1974 the  
11th Phalgun, 1895 (Saka)*

The House met at eleven of the clock,  
Mr. Chairman in the chair.

### FELICITATIONS TO MR. CHAIRMAN

THE LEADER OF THE HOUSE (SHRI  
UMASHANKAR DIKSHIT): We wish you  
a happy birthday.

MR. CHAIRMAN: I thank you all very  
much for your affection and good wishes. I  
will try to serve you better.

### INTRODUCTION OF NEW MINISTERS

THE LEADER OF THE HOUSE (SHRI  
UMASHANKAR DIKSHIT): Sir, I have  
pleasure to introduce Shri B. P. Maurya, the  
Minister of State in the Ministry of  
Agriculture.

### ORAL ANSWERS TO QUESTIONS

#### Loans to large business houses by the Life Insurance Corporation

\*121. SHRI KALYAN ROY: Will the  
Minister of FINANCE be pleased to state  
the details of the loans given by the Life  
Insurance Corporation to the large business  
houses, as mentioned in the Industrial Licen-  
sing Policy Committee report, during the  
year 1972 and 1973 ?

THE MINISTER OF FINANCE (SHRI  
Y.B. CHAVAN) : The term loans given by  
the Life Insurance Corporation of India to  
the Large Business Houses during 1971-72  
and 1972-73 amounted to Rs. 35 lakhs and  
Rs. 175 lakhs respectively. In 1971-72 this  
loans was advanced to S.P. Jain Group  
(Plastic, Resins and Chemicals Ltd.). In  
1972-73, Rs. 75 lakhs were advanced to J.K.  
Group (Straw Products Ltd.) and Rs. 1 crore  
to Jaipurias (Swadeshi Polytax Ltd.) 1  
RSS/74—1.

SHRI KALYAN ROY: I could not  
follow; this should have been laid on the  
Table of the House. Anyway we find  
whether it is the banks or whether it is the  
LIC, the persistent policy is to boost-up,  
encourage and strengthen the monopoly  
houses. Would the Finance Minister Please  
explain how it is that the large business  
houses received over 42 per cent of the total  
financial assistance sanctioned by the LIC  
and how is it that the Tatas were sanctioned  
the maximum amount of assistance of Rs.  
25.79 crores followed by Birlas of  
Rs.20.65crores? Is it consistent with the policy  
of the Government to help the Big Business  
while they are evading such huge amounts of  
income-tax, corporate tax and wealth tax and  
looting the country?

SHRI Y. B. CHAVAN: The figures that I  
gave were the figures for 1971-72 of the  
selected groups. The total amount that was  
given in that year amounted to Rs. 35 lakhs  
and in 1972-73 it was Rs. 175 lakhs. I do not  
know the percentages to which he has  
referred; I do not know where he got them  
from but I can tell him, if at all he is interested  
to know about it, that we will have to take the  
investment of the LIC in its totality into  
consideration and find out what are the  
percentages of investments made by the LIC in  
the different types of activities. Under the  
statute itself nearly 50 per cent of the  
investments have to be in Government  
securities and approved investments and out  
of the remaining 50 per cent also some of  
them are in approved investments and some  
in private investments. I would like to give  
for his information that in 1971-72 the total  
investment is Rs. 276.76 crores out of which  
investment in shares and debentures including  
loans to concerns belonging to monopoly  
houses comes to about Rs. 3.09 crores ; that  
means it comes to about 1.12 per cent. In  
1972-73 the total investment of LIC is Rs.  
322 crores and 52 lakhs out of which Rs. 8.23  
crores was the investment in shares and  
debentures including