

RAJYA SABHA

*Tuesday, the 26th February, 1974 (the
7th Phalguna, 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. 20.65 crores? 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 Govern-
ment 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 deben-
tures 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 invest-
ment of LIC is Rs. 322 crores and 52 lakhs
out of which Rs. 8.23 crores was the invest-
ment in shares and debentures including