

### Report of Dr. Hazari on Differential Rate of Interest

99. SHRI K. L. N. PRASAD :  
SHRI J. S. TILAK :  
SHRI CHITTA BASU :  
SHRI SUNDAR SINGH  
BHANDARI : SHRI LAL K,  
ADVANI : SHRI NIRANJAN  
VARMA : SHRI J. P. YADAV :  
SHRI N. K. SHEJWALKAR : SHRI  
R. P. KHAITAN :

Will the Minister of FINANCE/ *fafeT \*J5f>* be pleased to refer to the reply to Starred Question No. 186 given in the Rajya Sabha on the 6th April, 1971 and state :

(a) whether the Committee appointed under the Chairmanship of Dr. Hazari to evolve a procedure regarding application of differential rate of interest has since submitted its report ;

(b) if so, the essential features thereof ; and

(c) the action taken by Government thereon ?

THE MINISTER OF FINANCE/

(SHRI Y. B. CHAVAN) : (a) to (c). The report is expected to be submitted shortly,

### Central Aid to Tamil Nadu

100. SHRI S. A. KHAJA MOHI-DEEN : Will the Minister of FINANCE/

be pleased to state :

(a) the amount of Central aid given to the State of Tamil Nadu during the last three years, year-wise for development work ;

(b) whether these amounts have been fully utilised by the State Government ; and

(c) the nature of development work carried out during the last three years ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE/

(SHRI K. R. GANESH) : (a) to (c). Presum-

ably reference is to Central assistance given to the State of Tamil Nadu towards expenditure on State Plan schemes. The Annual State Plans specify outlays on the Plan schemes relating to agricultural development, co-operation and community development, irrigation and power, industry and mining, transport and communications, social services etc. The actual Central assistance released in favour of Tamil Nadu during the last three years is indicated below :

Year	(Rs. in crores)
1968-69	41.35
1969-70	35.75
1970-71	36.64

The expenditure reports of the State Government indicate that these amounts have been fully utilised.

101. *[Transferred to the 3rd June, 1971]*

### Conversion of Loans to Private Companies into Equity

102. SHRI SITARAM JAIPURIA :  
SHRI BABUBHAI M. CHINAI :

Will the Minister of FINANCE/

be pleased to refer to the answer to Starred Question No. 700 given in the Rajya Sabha on the 15th December, 1970 and state :

(a) whether "detailed operational guide lines" in regard to the conversion of loans to private companies by public finance institutions into equity have since been finalised ; and

(b) if so, what are the details thereof ?

THE MINISTER OF FINANCE/

(SHRI Y. B. CHAVAN) : (a) and (b). The operational guidelines broadly provide as follows :

(1) Where the aggregate term loan/debenture assistance being given to an industrial concern by the all India long term financial institutions Rs. 50 lakhs or more a convertibility clause will normally be included in the loan assistance or debenture issue agreement. If in a particular case the institutions feel that this clause should be