

and before any statement is made I think there should be a real and proper going into the matter. The P.A.C's report has got to be looked into; the language has got to be seen; the interpretation has got to be seen and when that is done certainly I will be directly responsible to come and make a statement.

SHRI MULKA GOVINDA REDDY:
Sir, let the Minister make the statement before the House adjourns.

MR. CHAIRMAN: He has said he will look into it and let you know.

The Question Hour is over.

WRITTEN ANSWERS TO QUESTIONS CREDIT FACILITIES FOR SUGAR INDUSTRY

♦116. SARDAR RAM SINGH : SHRI
U. S. DUGAL : SHRI JAGAT
NARAIN :

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have been urged to liberalize credit facilities for sugar industry to enable it to pay arrears of dues to cane-growers; and

(b) if so, whether the question has been considered by Government and the decision taken thereon?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI B. R.
BHAGAT): (a) Yes.

(b) Credit limits, except in the case of certain units which are not well-managed, have been sanctioned by the financing banks, after taking into consideration the need for making payments to the cultivators of cane and meeting the other current liabilities of the mills. In order to enable the State Bank of India and

Transferred from the 9th May, 1966.

other scheduled banks to meet the requirements of the sugar and other industries the Reserve Bank of India has agreed not to take into account for the purpose of the liquidity ratio the excess amount which these banks may have lent in 1965-66 for financing the procurement of foodgrains as compared to the amounts so lent in the previous year.

FOREIGN PARTICIPATION IN INDIAN INDUSTRIES

*173. SHRI M. N. GOVINDAN NAIR:
Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have decided to allow the foreign investors to have a majority share holding in certain lines of manufacture in India;

(b) if so, what are the manufacturing industries in which majority share by foreigners will be allowed;

(c) whether it is a fact that Government have already agreed to majority participation by foreign investors in fertiliser industry; and

(d) what are the special measures for agreeing to majority participation by foreigners in fertiliser industry ?

THE MINISTER OF FINANCE (SHRI SACHINDRA CHAUDHURI): (a) and (b) The policy regarding foreign investment is that normally the majority share holding should be in Indian hands. However, in individual cases majority foreign participation may be permitted where this is considered necessary in the national interest. Each case is considered on its merits. There is no specific field in which majority share holding by foreigners is automatically permitted.

(c) Government have recently approved a proposal to start the manufacture of fertilisers by an existing concern with a majority foreign participation.

(d) There are no special measures. As already stated, each case will be considered on its merits.