

SHRI MANUBHAI SHAH: What the hon. Member is asking is something different altogether from the question which he has addressed to me. The question was whether our Ministry had carried out any investigation into the total import requirements of Gujarat. May I submit, Sir, that we do not do this State-wise. Industry-wise we have an assessment and according to the availability of the Ministry of Finance and the Ministry concerned, allotment is done on an annual basis. Even on this basis Gujarat gets its share.

SHRI A. M. TARIQ: Is it a fact that out of the amount given by the Industrial Finance Corporation for building up industries, eighty per cent. of it has gone to Gujarat?

SHRI MANUBHAI SHAH: It has not. No such percentage has gone to Gujarat.

MR. CHAIRMAN: It does not arise out of this question.

CHIT FUNDS IN DELHI

*157. **SHRI LOKANATH MISRA:** Will the Minister of Finance be pleased to state:

(a) the number of concerns dealing with chit funds in Delhi; and

(b) whether Government propose to regulate chit funds in Delhi?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI TARKESHWARI SINHA): (a) 231 companies incorporated under the Companies Act, 1956 are now reported to be carrying on chit fund business in the Union territory of Delhi. Precise details regarding the number of other organisations or individuals dealing with chit funds are not available.

(b) Yes. The Madras Chit Funds Act, 1961 is expected very shortly to be brought into force in Delhi.

SHRI LOKANATH MISRA: In view of the serious charges of fraud and cheating preferred against these Chit

Fund companies, does not the Government think it proper to bring in legislation to stop them completely?

SHRIMATI TARKESHWARI SINHA: This is a concurrent subject and these chit fund companies are located only in certain areas like Madras, Kerala and Delhi. Therefore, applying the Madras Chit Fund Act to Delhi will serve the purpose.

SHRI LOKANATH MISRA: Does the Minister know that the maximum number of chit fund companies operate in Delhi? It may be in the concurrent list but Delhi is a Union Territory. That being so, is the Government thinking of bringing in legislation for Delhi alone as an ideal piece of legislation?

SHRI T. T. KRISHNAMACHARI: My colleague mentioned that the Madras Chit Fund Act is being applied to Delhi. The Madras Government have not yet formulated the rules for the application of the Chit Fund Act. As soon as they formulate the rules, the Madras Chit Fund Act will be applied to Delhi.

SHRI LOKANATH MISRA: Am I to understand that the Central Government will be taking examples from the State Governments and, therefore, are waiting for the Madras Government to approve the legislation first and then ask the Delhi Government to take it up? Am I to understand that?

SHRI T. T. KRISHNAMACHARI: There is nothing *infra dig* about taking up legislation from the States. Delhi being a Centrally administered area, mostly of the legislation that apply to Delhi have been taken from some State or the other which is more suitable. In this case it was found that the Madras Government legislation is the most suitable and, therefore, that will be applied to Delhi as soon as the formalities are over.

SHRI A. D. MANI: Sir, I believe this matter is in the Concurrent List. Is Government contemplating legislation which will be applicable not only to the Union Territory of Delhi but to all States?

SHRI T. T. KRISHNAMACHARI: No, Sir.

SHRI I. K. GUJRAL: Is it a fact that up to the 1st March this year, in Delhi alone two thousand and one hundred cases were registered for cheating by various chit fund companies involving a total amount of ten lakhs?

SHRI T. T. KRISHNAMACHARI: I take the information from the hon. Member.

SHRI R. S. KHANDEKAR: The hon. Finance Minister said that once the rules have been framed under the Madras Chit Funds Act, that Act will be applied here. Do I understand that the Act will be applied as it is or whether suitable modifications will be made according to the conditions prevailing in Delhi?

SHRI T. T. KRISHNAMACHARI: At present it is expected that the Madras Act will be adequate for the purpose in hand.

DR. GOPAL SINGH: Is it a fact that the chit fund companies are in the private sector?

SHRI T. T. KRISHNAMACHARI: I am not aware of any chit fund in the public sector.

SHRI G. RAMACHANDRAN: In view of the fact that these chit funds are often misused, is it the policy of the Government to encourage or discourage chit fund companies generally speaking?

SHRI T. T. KRISHNAMACHARI: At the present moment, Sir, Government's policy extends only to regulating the operation of chit funds.

SHRI A. M. TARIQ: As all chit fund companies have turned into cheat fund companies, is there a proposal before Government to turn these funds into a co-operative endeavour to be run on a co-operative basis so that people are benefited?

SHRI A. B. VAJPAYEE: Cheating on a co-operative basis.

MR. CHAIRMAN: I am sure the hon. Member does not expect a reply.

SHRI AKBAR ALI KHAN: In view of the information just now given, will the hon. Finance Minister think of bringing in an all-India legislation in this respect?

SHRI T. T. KRISHNAMACHARI: We have no information to justify such a course at the moment.

*158. [The questioner (Shri Sitaram Jatpuria) was absent. For answer, vide cols. 1117-18 *infra*.]

*159. [The questioner (Shri D. Thengari) was absent. For answer, vide cols. 1118-19 *infra*.]

INVESTIGATIONS INTO AFFAIRS OF BIRD AND CO. ETC.

*160. **SHRI G. MURAHARI:** Will the Minister of FINANCE be pleased to refer to the answer given to Unstarred Question No. 17 in the Rajya Sabha on the 12th February, 1964 and state:

(a) whether the investigations into the affairs of certain companies, including Bird and Co., for the violation of foreign exchange regulations have since been completed; and

(b) if not, what are the reasons for the delay?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI TARKESHWARI SENHA): (a) and (b). In respect of certain matters, investigations have been completed and the cases are under adjudication. Certain further investigations are also