

[Shri C. C. Biswas.]
which will be taken to ameliorate the situation and as soon as that report is ready, it will also be placed before this House.

MR. CHAIRMAN : No discussion is necessary. There are Private Members' Legislative business. Mr. Satyapriya Banerjee is off to Vienna.

SHRI C. G. K. REDDY (Mysore) : Has he ?

MR. CHAIRMAN : That is what the papers said. There is another motion here by Shri Guruswami.

THE FACTORIES (AMENDMENT) BILL, 1952.

SHRI S. GURUSWAMI (Madras) : Sir, I beg to move for leave to introduce a Bill further to amend the Factories Act, 1948 (Amendment of Section 2.)

MR. CHAIRMAN : Since there is no opposition I put the motion to the House.

The question is :

That leave be granted to introduce the Bill further to amend the Factories Act 1948 (Amendment of Section 2.)

The motion was adopted.

SHRI S. GURUSWAMI : Sir I introduce the Bill.

MR. CHAIRMAN : Government legislative business. Mr. Shah.

THE INDUSTRIAL FINANCE CORPORATION (AMENDMENT) BILL, 1952

THE DEPUTY MINISTER FOR FINANCE (SHRI M. C. SHAH) : Sir I move :

That the Bill further to amend the Industrial Finance Corporation Act, 1948 as passed by the House of the People, be taken into consideration."

Sir, the Industrial Finance Corporation was set up on the 1st July 1948 and has upto the end of October 1952 sanctioned loans to the tune of Rs. 15,22,70,000 to 103 industrial concerns of varying sizes all over the country engaged in all types of industries. I have already had circulated to hon. Members of this House the statements showing the classification of the number and amount of loans and advances granted industry-wise and classification of loans and advances industry-cum-State-wise upto the 30th June 1952. Copies of the 4th Annual Report of the Corporation are also available in the Library of the House for Members' use. I think the hon. Members will agree with me that the Corporation has rendered very useful service in supplementing the capital requirements of 12 NOON. Industrial concerns at a time when the industrial enterprises found that while, on the one hand, the capital they had raised for their schemes proved insufficient on account of rising costs, and on the other, it has become more difficult to raise fresh equity capital from the market.

With the experience gained in the working of the Corporation for the last 4 1/2 years, it is now possible to expand its activities on fruitful lines so that the Corporation may render greater service to the private sector for the industrial development of the country. The main purpose of the Act is to enable the Corporation to supplement its resources from loans from the International Bank for Reconstruction and Development. I may here mention that the original Act provided for the Corporation borrowing in foreign currency from the International Bank or otherwise ; but no provision was made for the Central Government guaranteeing such loans. As the House is aware, it is customary for all loans granted by the World Bank to third parties to be guaranteed by the Government of the country to which the loanee belongs. The Act only provides that the bonds and debentures raised by the Corporation in India shall be guaranteed by the