

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) to (c) The Public Sector Banks (PSBs) and Public Sector Insurance Companies are governed by their Board driven policies. Expansion or closure of branches of these institutions is decided by their Board in accordance with the guidelines laid down by the regulator.

However, the Government, as a promoter shareholder, has recently advised PSBs and public sector Insurance Companies to make an action plan for turnaround of their loss making branches. As regards financial inclusion campaign of Government of India, the banks have been advised to meet all the targets of financial inclusion which remains the priority of the Government.

Investment by public financial institution in tobacco companies

3453. SHRI SANJAY RAUT :

SHRI ANIL DESAI :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government agencies like LIC and UTI have invested heavily in a private sector company called the ITC which is involved in marketing tobacco products;

(b) if so, the details of the investment made; and

(c) the reasons for encouraging public financial institutions to invest in private sector rather than infrastructure-related projects?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) and (b) The details of investments made by Life Insurance Corporation of India (LIC) and the Unit Trust of India (UTI) in ITC Limited are as under:

Investment made by	Number of share
Life Insurance Corporation of India	93,52,41,572
Unit Trust of India	89,68,68,810

(c) LIC is investing in Government's Securities, Infrastructure Financing and Companies including private sector within permissible regulatory norms. The Unit Trust of India which was established under the UTI Act 1963, invest in many public sector and private sector companies across various industries in terms of its main business. The investment in the equity shares of ITC Limited was one of such investments made by UTI.