

another hon. Member cannot rise in his seat and say "No Sir, my question should be taken up". He should give notice earlier. In future we shall adopt that practice, subject to the approval of the House. The House can always say that priority may be given to a particular question.

Shri Hem Barua: If two members write to you about two questions differently, it will be difficult for you.

Mr. Speaker: Then I will decide.

Shri Hem Barua: You should establish a convention by drafting rules. It is democracy.

Mr. Speaker: The House is agreeable to this procedure. We will now take up S.Q. No. 607. **Shri Rameshwar Tantia.**

L.I.C. Investments in Newspapers and Journals

*607. **Shri Rameshwar Tantia:** Will the Minister of Finance be pleased to state.

(a) whether it is a fact that the Life Insurance Corporation has purchased shares or has given loans to some newspapers and journals; and

(b) if so, the names of the newspapers and journals and amount invested in each of them?

The Deputy Minister of Finance (Shrimati Tarkeshwari Sinha): (a) Yes, Sir.

(b) A statement is laid on the Table of the House. [See Appendix II, annexure No. 8.]

Shri Rameshwar Tantia: It has been mentioned in the statement that some preference shares have been bought of Messrs. Kasturi and Sons Ltd. May I know the considerations for this purchase when these shares are not readily saleable in the market and when better preference shares could have been brought in the market at this price?

Shrimati Tarkeshwari Sinha: The Corporation was very much convinced of the soundness of this proposition.

Shri Tyagi: Newspapers being political organs.....

Mr. Speaker: I am coming to this side also. **Shri Tantia.**

Shri Rameshwar Tantia: What are the considerations in buying these preference shares? Have other newspapers also been approached by the LIC for their preference shares? What will be the LIC's policy in future?

Shrimati Tarkeshwari Sinha: I would like to draw the attention of the hon. Member to the statement about the investment policy of the LIC which was made by the hon. Finance Minister. All those considerations are taken into account.

Shri Tyagi: Since newspapers are important political organs, I wonder if the Government have considered the feasibility of advising the LIC not to invest their funds in any enterprise which has any direct connection with political parties.

Shrimati Tarkeshwari Sinha: It is a suggestion for action.

Shri Tyagi: A good suggestion too.

Shri Joachim Alva: I find that Government shows very great partiality for big newspapers with big funds and with big moneys behind them. In the first place the State Bank of India lent a large sum of money, nearly half a crore of rupees, to newspaper barons. Here, I find, they have lent to very big papers. What happens to poor papers who just die for want of Rs. 10,000 to Rs. 20,000?....(Interruption).

Mr. Speaker: What is the question? The hon. Prime Minister.

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): May I say that the suggestion made by the hon. Member, **Shri Tyagi**, will be considered by Government....(Interruption).

Shri Braj Raj Singh: No, it will not be.

Shri Jawaharlal Nehru: It is a matter of importance and we shall consider it.

Shri Tangamani: From the statement I find that the *Ananda Bazar Patrika* has been given Rs. 25 lakhs. What was the criterion and on what basis Rs. 25 lakhs were advanced by the LIC?

Shrimati Tarkeshwari Sinha: It has been the policy of the Life Insurance Corporation to buy preference shares and also taxable redeemable first mortgage debentures. The Corporation has been buying from time to time preference shares and debentures of the sound companies. This is nothing new. It is not a departure from the policy which has been followed by the Corporation.

Shri P. R. Patel: May I know whether the policy of the paper is considered before a decision to buy shares is taken?

Shrimati Tarkeshwari Sinha: The policy has already been approved by the House to buy.... (*Interruption*).

Shri Braj Raj Singh: No, the policy of the paper.

Shri P. R. Patel: Whether the policy of the paper is considered.

Mr. Speaker: He wants to know whether the policy of the paper is considered before loans are advanced to that paper.

Shrimati Tarkeshwari Sinha: The financial soundness and the position of the paper is always considered by the Life Insurance Corporation.... (*Interruption*). The political implications were not considered by the Corporation, but as the hon. Prime Minister has now announced, it will be taken into consideration. That has already been said by him.

Mr. Speaker: Shri Pattabhi Raman.

Shri A. C. Guha: May I know....

Mr. Speaker: I have not called Shri Guha.

Shri C. R. Pattabhi Raman: Is it not a fact that they were interested only in preference shares and not in equity shares?

Shrimati Tarkeshwari Sinha: Investment has been in preference shares and also taxable redeemable mortgage debentures.

Shri A. C. Guha: Has the LIC referred this matter of purchase of shares of that company or any similar matter to the Government before a decision, which is almost a political decision, is taken by the Corporation?

Shrimati Tarkeshwari Sinha: Certain loans were already advanced before the LIC came into existence. Commitments were made. Those loans are given as an inherited thing by the LIC. Certain prior commitments were made. Therefore the LIC had to implement those commitments. Only one loan has been advanced and that is to Kasturi and Sons Limited. That is the only initiative which has been taken by the LIC.

Shri A. C. Guha: There is a difference between the inherited and the new ones.

Mr. Speaker: Shri Thirumala Rao.

Shri Thirumala Rao: Does the LIC take into account the political professions of the managing directors and the directors of public limited companies before they invest money in their shares?

Mr. Speaker: It is an answer to that question.

Shri Thirumala Rao: This is a larger issue raised not only about newspapers but about big magnates also, who take sides in policies as a result of the advantage derived from these investments.

Mr. Speaker: The Question Hour is over.

Some Hon. Members rose—

Shri Vidya Charan Shukla: May I ask one question?

Mr. Speaker: Papers to be laid on the Table.