

(b) A decision about the declaration of new National Highways in various States including Karnataka can be taken only after finalisation of the 8th Five Year Plan.

Allocation of foreign exchange to Companies

370. **SHRI KARIA MUNDA** : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 848 on March 16, 1990 and state :

(a) whether any of the companies mentioned therein have been allocated foreign exchange amounting to more than Rupees Two Crores in a year for meeting expenses abroad;

(b) if so, the details thereof; and

(c) whether the Government propose to reduce the allocation of foreign exchange to them till recovery of the excise duty is made?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR) : (a) and (b) : The companies mentioned in the reply to the unstarred Question No. 848 on March 16, 1990 are : (i) M/s. ITC Ltd., (ii) M/s. Godfrey Philips India Ltd. and (iii) M/s. Voltas Ltd. No foreign exchange is allocated by the Government to companies. However, permission to use foreign exchange for expenses abroad is granted by the Reserve Bank of India under the relevant provisions of the Foreign Exchange Regulations. Out of the three companies mentioned above, only one, namely, M/s. ITC Ltd. has been allowed to make remittance amounting to more than Rupees Two Crores as follows :

- (i) Maintenance of overseas offices : Rs. 383.73 lakhs per annum
- (ii) Blanket Permit or Export Promotion: Rs. 200.00 lakhs (For one year valid upto 31st March, 1992).

(c) The cases involving evasion of excise duty are under adjudication. The Reserve Bank of India allocates foreign exchange for the purposes mentioned

above, based on the size of foreign exchange transactions and the export performance of the company. The Reserve Bank of India does not include recovery of excise duty as one of the criteria.

[Translation]

Investment by Banks and Financial Institutions in Bihar

*371. **SHRI RAM LAKHAN SINGH YADAV** : Will the Minister of FINANCE be pleased to state :

(a) the amount invested by the Life Insurance Corporation, General Insurance Corporation and various banks in Bihar; separately during the last three years;

(b) whether the Union Government propose to encourage the banks and financial institutions to invest more capital in Bihar; and

(c) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) : (a) to (c) The amount invested by the Life Insurance Corporation of India (LIC) and General Insurance Corporation of India (GIC) in Bihar during the last 3 years is given below :

Year	Amount (Rupees in Crores)	
	L. I. C.	G. I. C.
1988-89	71.07	17.83
1989-90	107.83	24.00
1990-91	63.80	8.58

Bulk of the investment by LIC and GIC is made in Central and State Government securities, other Government guaranteed marketable securities such as bonds of financial institutions etc. Besides, LIC and GIC also advance loans for approved purposes in the socially oriented sector like housing, water supply etc. in accordance with the investment guidelines approved by the Government and as per annual allocations made by the Planning Commission. LIC and GIC also invest in debentures/shares of public limited companies in the private sector.