

**Financial assistance given by L.I.C. to Transport Undertakings**

4297. SHRI H. N. NANJE GOWDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that although the LIC gives financial assistance to transport undertakings to buy transport and passenger vehicles, the undertakings are not really able to take advantage of the facility because LIC has prescribed 220 per cent of the loan as security of unencumbered vehicles;

(b) whether the State Transport Corporations have appealed that instead of the above condition, LIC may give loan on Government security;

(c) what was the total amount earmarked by LIC for such loans for 1980 and 1981 and how much would be utilised; and

(d) whether LIC has considered the proposition at (b) above and if so, their reaction thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) No, Sir. While assets cover of 220 per cent of the loan is a normal requirement, the LIC has relaxed the same in suitable cases.

(b) Yes, Sir. Some State Road Transport Corporations have suggested that LIC may grant loans on the strength of Government guarantee rather than on security of assets.

(c) The total amounts of LIC loans allocated to State Road Transport Corporations during 1979-80 and 1980-81 and the amounts finally taken up by the Corporations are given below:—

(in crores of Rupees)

Year	Amount allocated	Amount taken up
1979-80.	24.00	22.15
1980 81.	30.00	26.75

(d) The proposition has not been found to be feasible. Loans on Government guarantee carry a low rate of interest which is not appropriate to commercial undertakings like State Road Transport Corporations and will affect the 'yield' for the LIC and the policyholders.

**Textile Exports**

4298. SHRI H. N. NANJE GOWDA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that textile exports during 1981 have shown improvement over the performance in 1980 both quantity-wise and cost-wise and if so, the details thereof; and

(b) the fabrics which have shown better performance?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGAM): According to available information, exports of Cotton textile during 1980 and 1981 were as follows:

(Value in Rs. crores)

Year	Readymade garments		Fabrics & made-ups & yarn etc. value	Provisional Total value
	Qty	Value		
1980	14.25 lakh pieces	439.82	401.00	840.82
1981	19.90 lakh pieces	650.02	334.35 (January-October, 1981)	984.37