

Trusts owned by the Chairman of Bird-Heilger Group of Companies

5778. SHRI JYOTIRMOY BOSU : Will the Minister of FINANCE be pleased to state :

(a) whether the present Chairman of the Bird-Heilger group of companies and his family are the Trustees of several Trusts;

(b) if so, the name and description of such Trusts and the total value of assets owned by each;

(c) whether it has been alleged that the Chairman and his family, by virtue of the fact that they are the trustees of the said Trusts, transact sale, purchase and transfer of share amongst these Trusts on the one hand and on the other hand, by virtue of the fact that they have the controlling shares in the Heilger Private Limited and their group of companies transact sale, purchase and transfer of shares of the companies—in between the Trusts and the Companies, within the trusts and within the companies themselves;

(d) if so, the details thereof and Governments reaction thereto; and

(e) whether any provisions of the Trusts Act have been violated by the said Chairman, if so, the particulars thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH) : (a) to (e). The information is being collected and will be laid on the table of the House as soon as possible.

North Brooke Jute Co.

5779. SHRI JYOTIRMOY BOSU : Will the Minister of FINANCE be pleased to state :

(a) whether it has been alleged that North Brooke Jute Company Limited, West Bengal, a unit of M/s. Heilgers (Private) Limited, has been recently sold illegally to a broker of a Jute Broking firm of Calcutta;

(b) whether the sale has taken place in London for 21,00,000 and money deposited in the Chartered Bank, London in the name of mother-in-law of Shri Pran Prasad, Chairman and Managing Director of Heilgers;

(c) whether the transaction was referred to the Reserve Bank and whether the Reserve Bank gave the necessary permission; and

(d) whether the sale has taken place in contravention of the Foreign Exchange Regulation Act, 1973?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) :

(a) A substantial number of shares in North Brooke Jute Co. Ltd. have been transferred through stock brokers of Calcutta to M/s. Ramgopal Ganeriwala and Co. Pvt. Ltd., and Bhubandhar Tea Co. Ltd.

(b) With a view to finding out if any amount has been paid outside India, the Enforcement Directorate has initiated enquiries.

(c) and (d). As the sale of shares is between two residents it does not require the Reserve Bank's approval under the Foreign Exchange Regulation Act, 1947. The Foreign Exchange Regulation Act, 1973 will come into force only with effect from 1-1-1974.

Proposal to change Credit Policy of Financial Institutions

5780. SHRI C. K. CHANDRAPAN : Will the Minister of FINANCE be pleased to state :

(a) the quantum of financial assistance given by financial institutions to large, medium and small industries during the last three years, State-wise ;

(b) whether Government propose to change the credit policies of the major financial institutions like LIC and UTI for the benefit of small industries ; and

(c) if so, the salient features thereof ?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) :

(a) Presumably, the Hon'ble Member refers to all-India term lending financial institutions, namely, Industrial Development Bank of India, Industrial Credit and Investment Corporation of India, Industrial Finance Corporation of India, Life Insurance Corporation of India and Unit Trust of India. The aggregate of State-wise financial assistance sanctioned and disbursed by Industrial Finance Corporation of India, Industrial Credit and Investment Corporation of India and Life Insurance Corporation to large, medium and small scale industries during the last 3 financial years viz., 1970-71, 1971-72 and 1972-73 are given in the statement laid on the Table of the House [Placed in Library. See No. LT-6092/73].