

85 *Industries*  
**Assistance Given by Financial Institutions for Industrial Development**

2782. SHRI L. V. SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the loans sanctioned during 1989-90 by the all India financial institutions for industrial investment was all time low and actual disbursement still lower;

(b) if so, the reasons therefor; and

(c) what has been their performance in terms of sanctions and actual disbursement during the period April-July, 1990?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) and (b) The Industrial Development Bank of India (IDBI) has reported that there has been a steady growth in both sanctions and disbursement by All-India Financial Institutions for industrial investments over the years. The amounts sanctioned by All India Financial Institutions comprising Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), Industrial Credit and Investment Corporation of India (ICICI), Life Insurance Corporation of India (LIC), Unit Trust of India (UTI) General Insurance Corporation (GIC) and Industrial Reconstruction Bank of India (IRBI) during 1989-90 was Rs. 15,571.1 crore as compared to Rs. 13,772.4 crore in 1988-89 and Rs. 8765.7 crore in 1987-88. The disbursements were Rs. 9367.8 crore in 1989-90, Rs. 8491.8 crore in 1988-89 and Rs. 6335.3 crore in 1987-88.

(c) It has been reported by IDBI that the provisional figures of sanctions and disbursements by All India Financial Institutions comprising IDBI, IFCI, ICICI, LIC, UTI, GIC, IRBI and SIDBI during April-July, 1990 were Rs. 3426.25 crore and Rs. 2528.66 crore respectively as against Rs. 4072.55 crore and Rs. 2551.71 crore in April-July, 1989. It is report-

ed that the slackness in the pace of sanctions appears to be a short term phenomenon and could be explained by the rapid growth in sanctions during the preceding two year period. This slackness in growth of sanctions also is due to absence of large sized projects coming for assistance during the period April-July, 1990. However, based on pipeline projects, institutions expect to complete the year with reasonable growth.

286 *Stock Market*  
**Policy Regarding Induction of Foreign Capital Shares**

2783. SHRI L. V. SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether policy regarding induction of foreign capital shares has been made more liberalised now;

(b) if so, to what extent;

(c) whether such investors will be permitted to take back the profit accrued to their own country; if so, on what terms; and

(d) its likely effect on balance of payment situation and economic condition of the country?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) to (d) Investment upto 40% of equity will be allowed on an automatic basis in specified industries subject to certain conditions relating to investment limit imports of capital goods and raw materials etc. Under the existing policy, there is no restriction on repatriation of profits and dividend. The Industrial Policy is expected to promote investment and employment in areas of our priority, and make a positive contribution to the overall balance of payments situation.

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**Liberalisation of Tourism Policy**

2784. SHRI KUSUMA KRISHNA MURTHY: Will the Minister of TOURISM be pleased to state: