

# LOK SABHA DEBATES

(Part II—Proceedings other than Questions and Answers)

Date: 09.12.2014

275

## LOK SABHA

Thursday, 24th February, 1955.

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER in the Chair]

### QUESTIONS AND ANSWERS

(See Part I)

12 NOON.

#### PAPERS LAID ON THE TABLE

DELIMITATION COMMISSION FINAL ORDERS NOS. 20, 21 AND 22.

The Minister in the Ministry of Law (Shri Pataskar): I beg to lay on the Table a Copy of each of the following Orders, under sub-section (2) of section 9 of the Delimitation Commission Act, 1952:

(i) Delimitation Commission, India, Final Order No. 20, published in the Gazette of India Extraordinary, Part II, Section 3, dated the 14th January, 1955; [Placed in Library. See No. S-30/55.]

(ii) Delimitation Commission, India, Final Order No. 21, published in the Gazette of India Extraordinary, Part II, Section 3, dated the 22nd January, 1955; [Placed in Library. See No. S-31/55.] and

(iii) Delimitation Commission, India, Final Order No. 22, published in the Gazette of India Extraordinary, Part II, Section 3, dated the 3rd February, 1955. [Placed in Library. See No. S-32/55.]

276

ANNUAL REPORT AND AUDITED ACCOUNTS OF EMPLOYEES' STATE INSURANCE CORPORATION, 1952-53.

The Minister of Labour (Shri Khandubhai Desai): I beg to lay on the Table a copy of each of the following papers under section 36 of the Employees' State Insurance Act, 1948:

(i) Annual Report of the Employees' State Insurance Corporation for the financial year 1952-53; and

(ii) Audited Accounts of the Employees' State Insurance Corporation for the year 1952-53. [Placed in Library. See No. S-33/55.]

#### ESTIMATES COMMITTEE

##### TWELFTH REPORT

श्री बी० जी० मेहता (गोहिलवाड़) : मैं सूचना तथा प्रसारण मंत्रालय—आल इंडिया रीडिंग, आकाशवाणी—के बार्स में एस्टीमेट (अन्दाज) समिति का बारहवां अहवाल पेश करता हूँ ।

#### INDUSTRIAL CREDIT AND INVESTMENT CORPORATION OF INDIA LTD.

The Minister of Finance (Shri C. D. Deshmukh): The House will recall that on the 24th February, 1954, I made a statement regarding the discussions that were then in progress for the establishment of a Corporation designed to stimulate industrial development in the private sector of our economy. Those discussions and negotiations which were continued till the end of last year have now borne fruit in the establishment of the Industrial Credit and Investment Corporation of India.

This is a privately-owned and privately-managed limited liability company which was registered last

[Shri C. D. Deshmukh]

month under the Indian Companies Act with its headquarters in Bombay.

It has an authorised share capital of Rs. 25 crores and a subscribed capital of rupees five crores. Of the subscribed capital, Rs. 3½ crores have been raised in India, rupees one crore in the United Kingdom and Rs. 50 lakhs in the United States of America.

The Government of India will make an advance to the Corporation of Rs. 7½ crores which was voted by Parliament last September. The advance will be free of interest and will be repayable in 15 equal instalments beginning after the lapse of 15 years. The money for this advance will be found from counterpart funds derived from the proceeds of the sale of steel supplied by the Foreign Operations Administration of the United States under the Irdo-American Technical Co-operation Agreement.

The International Bank for Reconstruction and Development has authorised a loan to this Corporation of the equivalent in foreign currencies of 10 million dollars. This loan will, as is customary with all loans from this bank, be guaranteed by Government. The loan and guarantee agreements will be laid on the Table of the House when they are signed next month.

The management of this Corporation is in the hands of a Board of eleven Directors. Of these, seven Directors represent the Indian shareholders, two the British and one the American, while the eleventh director is nominated by Government.

The purpose of the Corporation is to assist industrial enterprises within the private sector of industry in India through the provision of finance in the form of both loans and equity participations or through sponsoring and underwriting new issues of shares. It will also help by furnishing managerial technical and administrative advice and services to Indian industry.

Government have entered into an agreement with the Corporation of which I place a copy on the Table of the House [See appendix II, annexure No. 25.] Apart from the provisions dealing with the making and repayment of the advance of Rs. 7½ crores which I mentioned earlier, the main provisions of the agreement are as follows:

(1) Government has the right to apply for the liquidation of the Corporation if the Corporation defaults in its repayment obligations, or if the capital of the Corporation is impaired beyond a certain limit.

(2) Government is given the right to appoint a director so long as any part of the Government's advance remains outstanding.

(3) The Corporation undertakes to prevent any one group of affiliated persons or companies from acquiring control of the Corporation, the object being to assure that the objective of the Corporation continues to remain that of national development rather than individual profit.

Copies of the memorandum of association and articles of association and the prospectus of the Corporation will be found in the Library of the House, and I refer such hon. Members as would care for more details to those publications.

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## BUSINESS OF THE HOUSE

### ALLOCATION OF TIME ORDER

**Mr. Speaker:** I have to inform the House that the Business Advisory Committee met on the 22nd and 23rd February, 1955 and agreed to the allocation of time in regard to Government legislative and other business as mentioned below: