

against TISCO and IISCO, but as far as far as I remember speaking from memory—the loan which was outstanding against this company is being repaid and therefore, this question did come up before the Government for active consideration. In view of the fact that the loan was being repaid and we had arrived at a certain position with regard to this repayment, this was not done.

DR. SUSHILA NAYAR : Is it not a fact that something like 40 per cent of the shares of these banks were held by the Government or governmental financial institutions before nationalisation? May be, it was 35, 38 or 40 percent. The Minister can tell us the exact percentage. Now, if so, what prevented the Government from acquiring more shares so as to have a majority share in these institutions and to control them without having to pay compensation, instead of taking the step that they have done which involves us in the payment of Rs. 150 crores?

SHRI P. C. SETHI : As far as the question of payment of compensation is concerned, we cannot arrive at a definite figure at present, because that has to be worked out. This figure of Rs. 75 crores was estimated at that time, but whether this figure of Rs. 150 crores is correct or not, is a matter has to be enquired into and that has to be considered later on. As far as the conversion of this assistance which was given by the various financial institutions to the Banking companies, is concerned, I have already said that the 1956 Act does not provide for it; unless it is part of the agreement, unless the Act is changed, it is not possible.

Then, on the question of nationalisation of the major commercial banks, that had other considerations also: that is, to have complete control over the commanding heights of the economy. Therefore, we want one step ahead of social control, and nationalised the major banks.

DR. SUSHILA NAYAR : Sir, my question has not been answered. It is not conversion. Why don't you buy more shares?

MR. SPEAKER : Order, order. The Question Hour is over.

WRITTEN ANSWERS TO QUESTIONS

Conversion of Loans to Private Enterprises Into Equity

- *301. **SHRI SRINIBAS MISRA :**
SHRI MANGALATHUMADAM;
SHRI P. VISWAMBHARAN :
SHRI RAGHUVIR SINGH
SHASTRI ;
SHRI A. SREEDHARAN ;
SHRI K. LAKKAPPA ;
SHRI LAKHAN LAL KAPOOR ;

Will the Minister of FINANCE be pleased to state :

(a) whether Government have considered the suggestion made by the Industrial Licensing Policy Inquiry Committee with regard to conversion of loans to private enterprises into equity; and

(b) if so, the steps taken to implement the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI). (a) and (b). The recommendation of the Industrial Licensing Policy Inquiry Committee in this regard is under the consideration of the Government.

Cash Payment in Lieu of Earned Leave Surrendered by Government Employees

*305. **SHRI D.N. PATODIA :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government are considering a proposal to give cash payments to the Government Employees in lieu of their surrendering the earned leave;

(b) if so, whether any final decision has been taken in this regard; and

(c) if so, the details thereof?