

STATEMENT—II

*Indian Subsidiaries of Foreign Companies;
Distribution by Industry as on 31-3-1978*

Sl. No.	Industry	No. of subsidiaries
1.	Agriculture and allied activities	7
2.	Mining & Quarrying.	4
3.	Processing, & Mfg. Food stuffs, textiles, leather, metal & chemicals	103
4.	Construction & Utilities	2
5.	Commerce (Trade & Finance)	21
6.	Transport & Communication	1
7.	Community & Business	5
8.	Personal and other services	3
	Total	146

Interest free loans taken by Directors of M/s Pure Drink Ltd. New Delhi

639 SHRI K. P. UNNIKRISHNAN: Will the Minister of FINANCE be pleased to state:

(a) whether the directors of Pure Drinks (New Delhi) Limited have been taking interest free loans from the company;

(b) for how long has this practice been going on and how much interest has been lost by the company and how much have the directors gained;

(c) has the Income Tax Department collected tax on such interest benefits to the directors and if so, the details; and

(d) the details of loans or advances the directors have taken from other companies in which they are directors or shareholders?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) to (d). The information is being collected and will be laid on the Table of the House as soon as possible.

Public Deposits with Chit Fund Companies

640. SHRI SATISH PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that about 1600 companies dealing in Chitfund etc. were under the control of the Reserve Bank of India till 1978;

(b) whether with the enactment of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978, RBI lost control over these companies;

(c) what type of control RBI/Government had over them;

(d) whether these companies were having huge deposits from public at the time of banning them, and if so, details of companies having more than one lakh as deposit and total deposits with them;

(e) whether the said companies have misappropriated the public deposit to the tune of crores of rupees;

(f) if so, what action RBI took against these companies and if not, reasons therefor; and

(g) what action Government contemplates to take now in order to get back the money of the poor people?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) to (g) Before the enactment of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978, the deposit acceptance activities of the Financial and miscellaneous non-banking companies were regulated by the directions issued by the Reserve

Bank under Chapter III B of the Reserve Bank of India Act, 1934. Prize chit companies being deposit taking companies were precluded from accepting deposits in excess of an overall ceiling of 40 per cent of their net owned funds and for periods less than 6 months or more than 36 months. They were also required to submit half-yearly returns in the prescribed form in regard to the deposits held by them and to disclose detailed information about their management, working results, etc. in any advertisement soliciting deposits from the public.

After the enactment of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978, the State Governments have been vested with the authority to administer the provisions of the Act and for this purpose to frame rules in consultation with the Reserve Bank.

As per the figures available with the Reserve Bank, there were 961 prize chit companies as on 31st December 1978, functioning all over the country, and their total deposits aggregated to Rs. 58.3 crores as on 31st March 1978. 87 companies had deposits of more than Rs. 1 lac and the total amount of deposits with them was 51.60 crores as on 31-3-1978.

Under the provisions of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978, promoters of prize chit companies are allowed time not exceeding 2 years for winding up their existing schemes. For this purpose, the promoters have to submit statements of particular and winding up, plans for approval by the concerned State Government. Failure to comply with the provisions of the Act and the rules made there under attracts penalties provided in the Act. Government have no information regarding mis-appropriation of public deposits by any of these companies, such deposits are a matter of contract between the depositors and the companies, and the depositors can take recourse to a court of law for non-fulfilment of the terms of the contract.

पिछड़े क्षेत्रों में उद्योगों की स्थापना के लिए ऋण

641 श्री के० सी० पांडे : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या पिछड़े क्षेत्रों में उद्योगों की स्थापना के लिये कम ब्याज पर ऋण देने के मामले पर विचार किया जा रहा है;

(ख) यदि हां, तो शहरी और ग्रामीण क्षेत्रों के लिये ब्याज की दरों के बीच अन्तर क्या है; और

(ग) यदि ब्याज की दरों में कोई अन्तर नहीं है तो उसके क्या कारण हैं ?

वित्त मंत्रालय में राज्य मंत्री (श्री जगन्नाथ पहाड़िया) : (क) से (ग). अखिल भारतीय सावधिक ऋण प्रदान करने वाली संस्थाओं द्वारा निर्दिष्ट पिछड़े जिलों में उद्योग स्थापन करने के लिये ब्याज की रियायती दर (9½ प्रतिशत वार्षिक) पर ऋण प्रदान किया जा रहा है जब कि ब्याज की सामान्य दर 11 प्रतिशत है। पिछड़े जिलों में शहरी और ग्रामीण इलाकों के बारे में वसूल की जाने वाली ब्याज की दरों में कोई अन्तर नहीं है क्योंकि सभी पिछड़े जिलों में औद्योगिक एजकों को एक जैसी ही कठिनाइयों का सामना करना पड़ना है चाहे वे इन जिलों के शहरी इलाकों में ही अथवा ग्रामीण इलाकों में।

News-Item Captioned 'RBI Officials Connive—Colossal Loot of Chit Funds'

643. SHRI KRISHNA PRATAP SINGH:

SHRI R. L. P. VARMA:

Will the Minister of FINANCE be pleased to state:

(a) whether his attention has been drawn to a report which published in weekly 'BLITZ' dated the 1st March, 1980 under the heading—'RBI officials connive—Colossal loot of chit funds';

(b) whether he knows that petty shopkeepers, small artisans, labourers widows and low wage earners had invested their life's savings in chit funds schemes which has been swindled by racketeers operating these chits and money circulating schemes;

(c) whether the Reserve Bank of India have received complaints of large scale irregularities in these schemes;