

(c) what are the details regarding sale of mica from Rajasthan during the last three years, year-wise ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH) : (a) to (c) There has been marginal reduction in exports of mica from India since March, 1975 due to general recession in principal importing countries. Consequently, there was also reduction in demand for processed mica from Rajasthan. Exports of mica from Rajasthan are not recorded separately.

Foreign Exchange Regulation Act

♦161. SHRI BHUPESH GUPTA :
SHRI JAGJIT SINGH ANAND:

Will the Minister of FINANCE be pleased to state :

(a) whether Government have any proposal under consideration to amend the Foreign Exchange Regulation Act;

(b) if so, what are the details thereof;

(c) whether it is a fact that Government have given some concessions to foreign companies under the Act during 1975-76; and

(d) if so, what are the names of the companies to which such concessions have been given ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI) : (a) and (b) Certain minor amendments elucidatory in nature to the Foreign Exchange Regulation Act, 1973 are under contemplation. As no concrete shape has been given to the contemplated amendments, it is not possible at this stage to specify the details thereof.

(c) The hon. Members are presumably referring to the amendments to the guidelines issued for administering Section 29 of the Foreign Exchange Regulation Act, 1973 which has been amplified recently and a copy of which was laid on the Table of the Rajya Sabha on the 10th May, 1976, In accordance with these guidelines, the

†Transferred from the 10th May, 1976. (Previously numbered as Starred Question 23.)

Reserve Bank of India will give due consideration, while deciding the equity level I of the company, to the activities of foreign companies engaged in Appendix I—Industries or sophisticated technology or exports.

(J) The Reserve Bank of India have asked the foreign companies which may be eligible under the amplified guidelines to make an application to them by 31-5-76 to enable them to examine their cases for dilution of equity. The names of such companies would thus be known only after 31-5-76 and after the Reserve Bank of India have screened the applications.

Export of silk

•162. SHRI NRIPATI RANJAN
CHOUDHURY: SHRI R.
NARASIMHA REDDY:
SHRIMATI LEELA DAMO-
DARA MENON : DR. RAJAT
KUMAR CHAKRABARTI :

Will the Minister of COMMERCE be pleased to state :

(a) what is the value of silk fabrics and other silk products exported so far during the year 1976;

(b) whether Government have explored the possibilities of boosting the export of silk fabrics and other silk products; and

(c) if so, what are the details in this regard ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH) :

(a) The value of silk goods exports during the first quarter of the year 1976 is Rs. 4 - 53 crores.

(b) Yes, Sir.

(c) A statement is laid on the Table of the House.

Statement

1. In 1971, the Central Silk Board had sent a delegation to West Europe, USA, Japan & Hongkong to make a thorough study of the demand pattern likely to emerge in coming years to enable Indian Silk Industry to plan the production programme accordingly.

2. A proposal to send a delegation to South American countries is under consideration of Central Silk Board.

3. Import replenishment scheme for silk goods has been streamlined.

4. Cash compensatory support on export or silk goods has been announced for the year 1976-77.

5. In order to ensure supply of raw material to Export manufacturers at economic prices, the Central Silk Board proposes to set up a Tasar Development Corporation. It has also formulated a Scheme for stabilization of mulberry raw silk prices.

6. A proposal for setting up an Office-cum-showroom at Frankfurt is under consideration.

7. A procedure for pre-shipment inspection and inspection standards for export of silk goods have been streamlined.

8. In order to ensure exports of quality goods, floor prices have been fixed for certain varieties of natural silk goods.

Investment in LIC Policies

*163. SHRIMATI SAVITA BEHEN : Will the Minister of FINANCE be pleased to state the steps taken or proposed to be taken to make investment in Life Insurance Corporation policies more attractive ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI) : A statement is laid on the Table of the House. Statement With a view to improve its profitability as judged by the surplus and the bonus to policyholders, the LIC has taken a number of steps to increase and conserve its business, effect economy in its expenses of management and improve the return on its investments.

Business :

Through intensive field and publicity effort the need to provide insurance protection to the family is brought home to the prospective assured. Steps taken to conserve the business include the following :

- (i) Administrative measures for improving the quality of new business and preventing over-selling. Identification of and action against Development Officers and agents in whose cases lapses are particularly high.

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- (ii) In order to prevent lapse and re-entry, a new policy is not issued to the assured unless any previous policy of his, which had lapsed during the preceding 3 years, is got revived.

- (iii) Improvement in the quality of service to the Policy holders.

- (iv) Streamlining of procedures for revival of lapsed policies, and provision of facilities for payment of arrears of premiums in easy instalments.

Expenses of management :

The steps taken to effect economy in expenses of management include the following :—

- (i) Virtual ban on fresh recruitment since April, 1974.

- (ii) Simplification of procedures has been undertaken so that offices can cope with increased work without increase in staff strength. Work-norms of Class III employees are also being evolved.

- (iii) Drastic reduction in over-time allowance.

- (iv) Targets for reduction under other heads of miscellaneous expenses have also been laid down.

- (v) The terms and conditions of service of Development Officers have been revised recently, with due emphasis on working within specified cost ratios.

Return on investments :

Within the statutory frame work, the LIC makes every effort to maximise yield on its fund by a careful selection of the investments.

Seizure of Smuggled Goods

*164. SHRI SAT PAUL MITTAL : Will the Minister of REVENUE AND BANKING be pleased to state :

- (a) whether Government's attention has been drawn to a news item that appeared in 'The Times of India' dated April 25, 1976 to the effect that smuggled goods worth lakhs of rupees have recently been seized at a number of places in Punjab and Chandigarh;