

passage in the Monsoon and Winter sessions of the Ninth Lok Sabha. That time the Amendment Bill could not be taken up for consideration and passage. Before the Bill is reintroduced in the current session of Parliament, a certain procedure has to be followed which is under way.

Simplification of Exports Procedure

4271. SHRI K. THULASIAH VANDAYAR: Will the Minister of COMMERCE be pleased to state:

(a) whether a decision has been taken to simplify the documentation involving exports;

(b) if so, the salient features thereof; and

(c) the date from which it will be effective?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) Yes, Sir.

(b) Simplified format of Application, Bank Certificate of export and realisation, and other supporting documents for claiming replenishment benefits by exporters have been notified vide Public Notice No. 185-ITC(PN)/90-93 dated 31st July, 1991. Simplification in supporting documents for grant of licences under duty exemption scheme have also been notified vide Public Notice No. 191-ITC(PN)/90-93 dated the 14th August, 1991. Copies of Public Notices are available in the Parliament Library.

(c) The above changes have become effective from the date of the issuance of the Public Notices.

Foreign Investment

4272. SHRI VIJAY NAVAL PATIL: Will the Minister of FINANCE be pleased to state:

(a) the existing guidelines for foreign investment in the country by way of dividend and royalty;

(b) whether the foreign investment has helped in economic and financial field;

(c) whether the Government propose to ensure that foreign investment in-flow is twice its flow by dividend and royalty; and

(d) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR):

(a) Foreign companies which have been allowed equity participation in Indian companies are eligible to repatriate dividends subject to Indian taxes. They may also repatriate royalty upto 5% of domestic sales and 8% of exports.

(b) Foreign investment and technology collaboration is welcomed to obtain higher technology, to increase exports and to expand the production base.

(c) and (d) Dividend payments shall be allowed in case of direct foreign investment upto 51 per cent foreign equity in high priority industries so as to ensure that out flows on account of such payments are balanced by export earnings over a period of time.