

(g) if so, the details and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) and (b). Yes, Sir. The Life Insurance Corporation of India pays commission to its Agents on the first year's Premiums renewal premiums received during the continuance of their agency in respect of the policies procured and completed under their respective agencies at the rates ranging from 7 1/2% to 25% of the first year's premium and 2% to 10% of the renewal premiums, depending upon the term and plan of the policy. In case of policies where under a single premium is charged, the payment of commission is a one time process and in all other cases, the commission at specified rates is payable throughout the term of the policies.

(c) The total amount of commission paid by different divisions of Life Insurance Corporation on India in respect of its Indian business during the years 1989-90, 1990-91 and 1991-92 is as under:-

Year	Amount (Rs. in crores)
1989-90	420.78
1990-91	531.35
1991-92	429.06
(from 1.4.91 to 31.12.91)	

(d) and (e). No, Sir. Commission for procuring life insurance business can be paid only to a person, who possesses a valid licence in terms of Section 42 of the Insurance Act, 1938. Payment of commission to policy holders, if they approach the Corporation direct for insurance without the services of an agent would amount to rebate, which is

prohibited in terms Section 41 of the Insurance Act, 1938.

(f) and (g). No, Sir. The life insurance has to be sold as it is seldom bought. It is hence essential to have an agency force to procure life insurance business for L.I.C. of India. Further, certain enquiries in regard to the lives to be insured and adverse circumstances affecting the risk, if any, are required by the Corporation before acceptance of the proposal. This can be done effectively by an agent.

[Translation]

Export of Cotton, Cotton Cloth, Fibre & Readymade Garments

3789. SHRI RAJVEER SINGH: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have formulated any scheme to encourage the export of cotton, mixed, cotton cloth and readymade garments etc., and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT). (a) and (b). Government have taken several steps to encourage export of cotton cloth and readymade garments like allowing to import of textile machinery at concessional duty, organising buyer seller meets and Fairs abroad, providing adequate encouragement to manufacturer-exports and non-quota exports through appropriate Quota Policy measures etc. Since Government's endeavour is to promote export of value added products, the Government permits export of cotton in limited quantities keeping in view the domestic availability and the need to maintain India's presence in the international market as a stable supplier.