

(c) the circumstances under which he has been given promotion while certain allegations against him are still pending with C.B.I.;

(d) what action Government have taken in the matter ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) The Central Bureau of Investigation was investigating a case against a firm in which a Director of the Minerals and Metals Trading Corporation was also alleged to be concerned.

(b) and (c) During the last five years, this Officer got two promotions on the basis of merit and at that time, no complaints were pending against him.

(d) The Central Bureau of Investigation completed its investigation and its report has been received recently, which is currently under examination of the Government.

Growth of New Business of L.I.C.

4412. DR. H. P. SHARMA: Will the Minister of FINANCE be pleased to state:

(a) whether the growth of new business of the Life Insurance Corporation during the current year has considerably slowed down, in comparison to that of the corresponding period last year;

(b) if so, the comparative figures showing fresh business transacted during the last two years; and

(c) the reasons for the slow pace of growth this year and the steps taken to accelerate the rate of growth ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) to (c) The new business written by the LIC during the last eleven months of the financial years 1972-73 to 1974-75 was as given below:

(Rs in crores)

	From 1-4-74 to 28-2-75	From 1-4-73 to 28-2-74	From 1-4-72 to 28-2-73
Individual Assurances	1264	1264	1208
Group Assurances	605	244	196
Total Assurances	1869	1508	1404

While the business during the first eleven months of the current year has shown an increase over that secured during the corresponding period of the preceding year the increase under Individual Assurances has not been upto the LIC's expectations, *inter alia* for the following reasons:

- (i) Inflationary rise in prices and consequential reduction in the individual's margin of savings.
- (ii) Competition with other forms of savings, such as deposits with banks and post offices as well as non-banking companies, on which a higher return is available.

(iii) The agitation (since called off) by the Development Officers to press their demands relating to revision of pay scales and conveyance allowance etc.

The LIC is making added field and publicity effort to bring home to the prospective assured the need to provide insurance protection to the family. It is also intensifying efforts for introduction of large Group Insurance Schemes where the co-operative effort lessens the strain on individual saving.

As a further incentive for effecting long-term savings, a provision has been made

in the Finance Bill, 1975, to increase the quantum of deduction in respect of such savings in the computation of assessable income for income-tax purposes.

Foreign Investment

4413. DR. H. P. SHARMA: Will the Minister of FINANCE be pleased to state:

(a) whether any precise strategy has been chalked out for inviting and attracting foreign investments;

(b) if so, the salient features thereof, indicating the area of industrial development wherein foreign investment would be welcome and the nature of the industries listed out for the purpose;

(c) the total estimated investments by foreign firms and entrepreneurs considered necessary and likely during the current Five Year Plan; and

(d) the precise terms laid down for securing such foreign investments, especially relating to the ratio between the capital investment and the repatriated profits?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): (a) and (b) Government's policy towards foreign investment continues to be highly selective and aims at filling technological gaps and expanding exports. Foreign capital is not permitted in the fields of banking, commerce, finance, plantations, trading, consumer and high profit-yielding industries. An illustrative list of industries where foreign investment is permitted is available in the Guidelines for Industries 1974-75 published by the Ministry of Industrial Development.

(c) In the "Draft Fifth Five Year Plan" (1974-79), against private capital, a fresh inflow of Rs. 74 crores has been estimated over the plan period.

(d) Government would like foreign investment to function as a vehicle for the transfer of such technology as cannot be secured on an outright purchase basis or

by a limited duration royalty agreement. Some of the important considerations on the basis of which both the choice of technology and its mode of import should be made would be net foreign exchange outgo, export potential, characteristics of the technology and appropriateness to our conditions, the access of Indian engineers to the collaborators' design and research activities, freedom to select equipment and raw materials and to decide on the pace of technological development.

Export of Salt to Bangladesh

4414. DR. H. P. SHARMA: Will the Minister of COMMERCE be pleased to state:

(a) whether inquiries have been made for export of about 30,000 tonnes of salt to Bangladesh;

(b) if so, the terms for export offered by the importers in Bangladesh and how much of it is required under bilateral Government to Government deals; and

(c) the main features of agreement, if any, reached with Bangladesh for export of salt?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (c) Supply of salt from India to Bangladesh has been canalized through the State Trading Corporation. However, the Government of Bangladesh has recently requested for the supply of 35,000 tonnes of salt under the Rs. 2 crore Commodity Grant. The supplies will move by sea and payments will be governed by the terms and conditions governing the Commodity Grant.

Remittances by Indians Living Abroad

4415 SHRI BIRENDER SINGH RAO: Will the Minister of FINANCE be pleased to state:

(a) whether some Indian residents abroad remit money to India through compensatory payment racket; and