

sought for providing infrastructure facilities to newspaper industry in the country during each of the last three years and current years; and

(b) the amount of foreign exchange allocated for the purpose during the above period, year-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RA-MEHSWAR THAKUR): (a) and (b). Foreign exchange expenditure on imports and other inputs in connection with setting up of printing and other facilities by the newspaper industry is regulated by the provisions of Import-Export Policy and other relevant rules and regulations. No separate allocation of foreign exchange specifically for this purpose is made. However, the Registrar of Newspapers for India functions as the sponsoring authority in the case of import of licensed capital goods and restricted items by the bonafide newspaper establishments. The value of the imports recommended by the Registrar of Newspapers for India amounted to Rs. 4.06 crores, Rs. 8.97 crores, Rs. 4.95 crores and Rs. 0.10 crores during the calendar years 1989, 1990 and 1991 and the current year respectively.

#### **Grant of licences to Garment exporters**

3787. DR. LAL BAHADUR RAWAL: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have formulated any scheme to take early decision on applications received for advance licence under tax exemption scheme to promote export of cotton and mixed yarn, cotton garments and ready-made Garments and to provide cotton to exporters at international prices; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT): (a) and (b). Director general of International Trade has already made an announcement that the advance Licences for duty free import of raw materials, for which input-output norms are available under Appendix 13'C' of Import & Export Policy, will be cleared within fifteen days. This decision covers import of raw material under Advance Licensing Scheme by Garment exporters also.

[English]

#### **Commission to LIC Agents**

3788. SHRI J. CHOKKA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether the Life Insurance Corporations paying commission to the agents for securing business;

(b) if so, the rates paid at present and is it a one time payment or continuous process till the maturity of policy;

(c) the total amount of commission paid by different divisions of Life Insurance Corporation separately during 1989-90, 1990-91 and 1991-92;

(d) whether the Government propose to allow the same margin of commission to the policy holders if they directly approach the policy holders if they directly approach the corporation for insurance without the media of agents;

(e) if not the reasons therefor;

(f) whether there is any proposal to abolish the present system of engaging agents for securing business for Life Insurance Corporation; and

(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:-

<i>Year</i>	<i>Amount (Rs. in crores)</i>
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.