

The progress made so far by both the parties for all the above packages are as per agreed scheduled.

Government Expenditure

8340. SHRI SRIKANTHA DATTA
NARASIMHA RAJA
WADIYAR:
SHRI PARASRAM BHARD-
WAJ:
SHRI DHARMESH PRASAD
VARMA:

Will the Minister of FINANCE be pleased to state:

(a) whether his Ministry has taken decision to undertake monthly checks to ensure that Government expenditure remains under control;

(b) whether it would be done regularly and systematically throughout the current Financial Year;

(c) whether the expenditure on establishments day-to-day administration etc. would be reduced Ministry-wise; and

(d) if so, the guidelines sent to different Ministries in this regard?

THE DEPUTY MINISTER IN THE
MINISTRY OF FINANCE (SHRI ANIL SHAS-
TRI): (a) and (b). Yes. Sir.

(c) and (d). Finance Minister has written to all Ministers suggesting identification of savings in establishment expenditure so as to absorb the liability on account of fresh D.A. instalments. They have also been requested to draw up a quarterly/monthly Budget of expenditure and receipts, so as to facilitate monitoring of the overall Budget Deficit.

Setting up of Manufacturing Units Abroad by Exporters

8341. SHRI SRIKANTHA DATTA
NARASIMHA RAJA WADIYAR: Will the
Minister of COMMERCE be pleased to state:

(a) whether the Reserve Bank of India has suggested Indian exporters to set up manufacturing bases abroad;

(b) if so, the rationale behind this suggestion;

(c) whether Government propose to help Indian exporters in setting up manufacturing units in other countries; and

(d) if so, the details thereof?

THE MINISTER OF COMMERCE AND
TOURISM (SHRI ARUN KUMAR NEHRU):

(a) No, Sir.

(b) Does not arise.

(c) and (d). Government approves proposals for setting up of manufacturing units abroad under the existing guidelines governing setting up of Joint Ventures/wholly Owned Subsidiaries abroad. An Inter Ministerial Committee on joint ventures abroad in the Ministry of Commerce approves such proposals within the framework of the guidelines.

Profitability of Foreign Branches of Indian Banks

8342. SHRI PARASRAM BHARDWAJ:
Will the Minister of FINANCE be pleased to state:

(a) whether branches of the Indian banks operating in foreign countries have been able to maintain their business and profitability during last two years;

(b) if so, the details in this regard country-wise;

(c) the names of the Indian banks in foreign countries which have been showing continues losses; and

(d) the steps being taken to improve their performance during the current financial year?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) to (d). The banks prepare their Profit and Loss Accounts in the forms set out in the Third Schedule of the Banking Regulations Act, 1949. Only the profit/loss position of the bank, as a whole, during the year, is required to be incorporated in the Profit and Loss Account and the Balance Sheet. Banks are not required to indicate separately domestic profits and foreign profits in their Balance Sheets.

Some of the foreign branches of Indian banks have been however, in the last few years, faced with certain problem accounts due to various factors. The performance of the foreign branches of Indian banks is continually reviewed by the Reserve Bank of India. A number of steps have been taken to improve the working of these branches and for strengthening the operational and control systems within the banks. The Reserve Bank guidelines provide, inter-alia, for fixing up of limits of exposures for individual borrowers/borrower groups, fixing up of country-wise limits of exposure, development of proper credit rating etc.

Collection of Premium under LIC's Salary Saving Scheme

8343. SHRI V. SREENIVASA PRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether the branches of the Life

Insurance Corporation (LIC) of India under Bombay and Calcutta Divisional Offices have not been placing their demand lists of premium collection to different employers on time for collecting premiums of policy-holders who ave taken out policies under the LIC's salary saving scheme;

(b) whether as a result of such inaction on the part of the LIC large number of insurance policies are getting lapsed;

(c) whether the number of paid up policies has increased during the past several years;

(d) if so, the details thereof; and

(e) the immediate steps being taken to regularise such insurance policies and for removal of five years stipulation for the purpose of revival of insurance policies?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) No, Sir. As per LIC's Salary Savings Scheme procedure, the recovery of premium is effected by the employers on the basis of the duly signed authority letter given by the employee to the employer. In addition, the demand lists of premium collection prepared by LIC are also sent in time to different employers. Further instructions are also issued to the employers that in case the demand invoice is not received in time due to postal delay etc., the employers should deduct premiums on the basis of previous month's demand list.

(b) No, Sir. Generally, almost all the employers are regularly paying the premiums. However, in respect of a very few employers, the premiums are not being received in time for variety of reasons viz. financial trouble, lock-out, strikes, etc.

(c) No, Sir.