

(c) which of the terms of the MFA are agreeable to India?

THE MINISTER OF STATE OF MINISTRY OF COMMERCE (SHRI SHIVRAJ V. PATIL): (a) A delegation from EEC is likely to come to New Delhi in March, 1982 for an exploratory round of discussion on the future bilateral textile agreement between India and the EEC to take effect from the 1st January, '83.

(b) The Multi-fibre Arrangement regulates world trade in textiles and clothing and lays down rules and guidelines for placing quantitative restraints on imports of textile products. It also lays down the conditions under which such restraints could be imposed and, once imposed, how the quota level, growth rate, flexibilities in operation will be calculated.

(c) India has been a signatory to the MFA since its introduction in 1974, India has also accepted the protocol extending the MFA for its third

term, beginning the 1st January 1982, for 4 years and 7 months.

India's Trade deficit with E.E.C.

\*7. SHRI A. T. PATIL:

SHRI AMAR ROYPRADHAN

Will the Minister of COMMERCE be pleased to state:

(a) India's Trade deficit with EEC during the last three years

(b) factors responsible therefor;

(c) actions taken by Government in the past to tackle these problems; and

(d) action proposed to be taken in the matter hereafter?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI SHIVRAJ V. PATIL): (a) India's trade deficit with EEC during the last three years is as follows:

(Value : in Rs. crores)

Year	India's exports to EEC	India's imports from EEC	Balance of Trade
1978-79 . . . . .	1560	2884	-524
1979-80 . . . . .	1751	2177	-426
1980-81 (Provisional) . . . . .	1464	2723	-1268

(b) Imports of machinery, equipments and industrial raw materials from EEC have gone up because of the growing requirements of developmental efforts in India. Indian exports have not grown as fast because of domestic constraints, the pull of domestic as well as alternative markets in the case of some products and EEC's restrictive politics in some others.

(c) The action so far taken by the Government in this regard is as follows:—

(i) A new Commercial and Economic Corporation Agreement designed to promote closer trade and economic relations between the European Economic Community and India has been signed in June, 1981.

(ii) The India Trade Centre has been set up at Brussels to provide market intelligence and information regarding quality and packaging requirements, distribution channels, trends in designs, existence of tariff and non-tariff barriers etc. to the Indian exporters. The Centre also

provides back up support to Indian organisations participating in fairs in West Europe and for sending trade missions.

(iii) An Indo-EEC Trade Promotion Programme has been initiated with financial assistance from the Community every year, to assist India's participation in Trade Fairs in Europe, for holding workshops for Indian products in Europe, sponsoring Trade Missions for Indian items, organising market surveys in Europe, deputation of experts to India besides arranging training for Indian personnel in the EEC countries.

(d) Government will continue to set up their export promotion efforts and will also persuade EEC to follow more liberal trade policies for import export products like textiles.

#### Economy in Government expenditure on telephones

\*8. SHRI RAJNATH SONKAR SHASTRI: Will the Minister of FINANCE be pleased to state:

(a) whether to effect further economy, the installation of residential telephone at the residences of officers lower than the status of Deputy Secretary is proposed to be discontinued and in any case allowing the residential telephones for more than two officers of a section is to be discontinued; and

(b) whether the number of calls from the residential telephones are proposed to be further reduced to 750 calls in a quarter from the existing 1000 calls?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA): (a) Under the existing instructions the provision of residential telephones is

ordinarily restricted to the officers of the rank of Deputy Secretary and above. Below the rank of Deputy Secretary, not more than 25 per cent of Class I officers are allowed this facility. The personal staff of Ministers, Secretaries, Parliament Assistants, etc. are allowed residential telephones keeping in view their functional requirements. There is no proposal at present to modify these instructions.

(b) The number of quarterly calls permissible on the residential telephones at Government expense was reduced from 1500 to 1000 from the quarter commencing from 1st October, 1979. Further reduction in these quarterly calls is not envisaged at present.

#### Protection of interest of LIC policy-holders

\*9. SHRI CHIRANJI LAL SHARMA: Will the Minister of FINANCE be pleased to state:

(a) steps taken or proposed to be taken to protect the interest of the policy holders of Life Insurance Corporation of India;

(b) whether it is a fact that policy holders' money is being used at low rate of interest at the cost of policy-holders; and

(c) if so, reasons thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). In order to protect the interests of the policyholders, the LIC aims at maintaining a satisfactory level of profitability and operational efficiency. Towards this end, keeping in view the national priorities, emphasis is laid on earning of maximum yield on investments consistent with safety of funds.