

(b) if so, the details of the new scheme along with the date of its introduction;

(c) whether it is a fact that while the scheme is being portrayed as "while life annuity, less a whole life assurance for the PPOP", in fact it is based on interest allotment to the PPOP;

(d) if so, whether tax concessions due for such interest incomes are proposed to be given to pensioners and Section 10 (15) of the Income Tax Act would be applied to the pensioners on interest earnings; and

(e) if so, the date by which this relief to the pensioners is likely to be ensured?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). The Life Insurance Corporation of India has not introduced any scheme which returns the entire purchase price of pension on death with some group pension terminal bonus. The question of tax concessions etc. for such a scheme, therefore does not arise.

The purchase price of pension assumes relevance only in respect of purchase of *Immediate* annuities under Individual Assurance business. It is not relevant in the case of a *Deferred* Annuity Plan. A plan recently announced by LIC called "Jeevan Dhara" pertains to *Deferred* Annuity business and this plan provides for lumpsum equivalent of the pension being payable in the event of death of the annuitant after the annuity commences. However, this being a *Deferred* Annuity Plan, the question of purchase price of pension does not arise in this plan.

#### National Equity Fund

4349. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether Government have decided to set up a national equity fund for small industries as also a comprehensive programme for providing equity culture under which an individual investment upto \$2400 in equities;

(b) if so, the exact details of the setting up and functioning of the equity fund as also of the comprehensive programme; and

(c) whether the National Board of Securities is also proposed to be set up and the likely date by which it would come up alongwith its salient features?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). National Equity Fund (NET) has been set up in the Industrial Development Bank of India in August, 1987 for providing assistance in the form of soft loans towards equity to the eligible entrepreneurs for setting up of new projects and also for rehabilitation of potentially viable sick units in the tiny and small scale sectors. Assistance under the Scheme would be channelised through Nationalised Banks. Under the Scheme, assistance upto a maximum of Rs. 75,000 per project at a service charge of 1% per annum would be available to tiny and small scale industrial units located/coming up in a village/town having population not exceeding 5 lacs and with projects cost not exceeding Rs. 5 lacs. The soft loan for equity will be repayable over a maximum period of 7 years including an initial moratorium upto 3 years. Minimum promoters' contribution is 10% of the project cost.

(c) The Government have decided to set up a separate Board for the regulation and proper functioning of Stock Exchanges and securities industry. The Board is expected to be established in the year 1988.

#### NTC Mills

4350. SHRI MOHANBHAI PATEL : Will the Minister of TEXTILES be pleased to state :

(a) the number of textile mills owned by NTC as on 31 March, 1987;

(b) what is the number of mills which are running in losses;

(c) the reasons therefor; and

(d) the steps being taken to renovate these mills to improve their position?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) As on 31st March, 1987, the number of nationalised mills under NTC was 109.