

not backed up with the same amount of reserves as in the subsequent years due to larger part of premiums having been absorbed as expenses. In order to avoid loss on such policies discontinued in the earlier years, LIC decided not to pay bonus to policies lapsed during the first five years from the date of commencement. However, policies which result into death claim during the first five years are eligible for bonus. This decision is applicable to all policies issued on or after 1st April, 1973 and came into effect from the valuation as on 31st March, 1975.

(d) In view of the above position, no changes are proposed to be introduced in the rules of the LIC.

Supply of Silk Yarn by China

5414 SHRIMATI BASAVARAJESWARI : Will the Minister of TEXTILES be pleased to state :

(a) whether China has stopped the supply of quality silk to India ;

(b) if so, the main reasons thereof ;

(c) to what extent this has affected the silk industry ;

(d) whether Union Government have initiated negotiations in this regard ; and

(e) if so, the outcome thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) No, Sir.

(b) to (e) Do not arise.

Loan to Jute Mills from Jute Modernisation Fund

5415. SHRIMATI BASAVARAJESWARI : Will the Minister of TEXTILES be pleased to state :

(a) whether the funds of the jute mills which have applied for loan from jute modernisation fund have been examined by Government ; and

(b) if so, to what extent, the balance have been found in order ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) Applications for grant of loan under jute

Modernisation Fund Scheme are scrutinised by Financial Institutions and not by the Government. Before sanctioning loans, Financial Institutions have to satisfy themselves about the correctness of the details given in the loan applications.

Adoption of Villages by Public Sector Banks

5416. SHRIMATI BASAVAJESWARI : Will the Minister of FINANCE be pleased to state :

(a) whether the public sector banks have got a scheme of adopting the villages ;

(b) if so, the number of village adopted by each public sector banks ; and

(c) the amount spent so far from the inception of the scheme and whether the scheme is being implemented successfully ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The public sector banks adopt certain villages under the Village Adoption Scheme which is, essentially, an area approach in financing agriculturists. The Scheme aims at deriving, in full, the advantages accruing from concerted and coordinated efforts in areas with significant agricultural potential and having preponderance of small farmers. Reserve Bank of India has reported that as at the end of June, 1986, an amount of Rs. 3604 crores were outstanding in respect of the advances in 2,19,906 villages adopted under the village Adoption Scheme.

Legislation for Public Buying

5417. SHRIMATI BASAVARAJESWARI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are contemplating a legislation for public buying to protect its right as a prudent purchaser and to ensure that a supplier gets a prompt response to his just demands ;

(b) if so, whether any law is likely to be introduced ; and

(c) if so, the main features thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) The Government have set up a Working Group under the Chairmanship of Shri Prakash Narain, retired Chief Justice, Delhi High Court for considering and recommending the general framework and objects of a separate legislation for public buying. The terms of reference of the Working Group are :

- (i) to consider the difficulties experienced by the Central Purchase Organisation i.e. the Directorate General of Supplies and Disposals in contracting and performance of contracts ;
 - (ii) to examine whether the existing provisions under the various laws are adequate to meet those difficulties ;
 - (iii) to recommend such legislative or other measures as considered necessary in this behalf.
- (b) The matter would be examined after the receipt of the report of the Working Group.
- (c) Does not arise at present.

Production of Low-Priced Blended Cloth in Handloom Sector

5418. SHRI PARASRAM BHARDWAJ: Will the Minister of TEXTILES be pleased to state :

- (a) whether Government have formulated any scheme for the production of low-priced blended cloth in the handloom sector for implementation by the States ;
- (b) if so, the details in this regard ; and
- (c) what price has been fixed for such cloth ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) Yes, Sir.

(b) This scheme known as 'Susman cloth scheme' involves production of polyester blended cloth in the handloom sector by using duty free polyester fibre. The guidelines issued by Government provide

that the scheme will be implemented by the State Handloom Apex Societies and State Handloom Development Corporations. The range of products include shirting and suiting containing more than 40% but less than 70% of Polyester fibre by weight and will be sold only through outlets operated directly by the approved implementing agencies.

(c) The maximum prices fixed for the products are Rs. 25/- per sq. metre for shirting and Rs. 40/- per sq. metre for suiting.

Export of Compound Cattle feed and Poultry Feed

5419. SHRI LAKSHMAN MALLICK : Will the Minister of COMMERCE be pleased to state :

- (a) whether Government have relaxed the policy for export compound cattle feed and poultry feed ;
- (b) if so, the details in this regard ;
- (c) whether the position of compound cattle feed and poultry feed is not satisfactory in the country ; and
- (d) if so, whether Government propose to review the export policy regarding cattle feed and poultry feed ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c) No relaxation in the export policy for compound cattle feed and poultry feed has been made. As per information compiled by the Solvent Extractions 'Association of India', Bombay, export of compound cattle feed declined from 7182 tonnes valued at Rs. 91 lakhs in 1985-86 to 549 tonnes valued at 6.97 lakhs in 1986-87. There have been no export of compound cattle feed during April-September, 1987. There have been no export of poultry feed during April 1985 to September 1987. Hence, there is hardly any impact of export of compound cattle feed and poultry feed on their situation in the country.

CCI to Purchase Stock of Cotton from Maharashtra Government

5420. SHRI BANWARI LAL PUROHIT : Will the Minister TEXTILES be pleased to state :