

ton yarn exports from hank yarn obligation, although the obligation continues without any reduction in level; greater operational flexibility to 100% EOUs producing cotton yarn by way of relaxation of count/domestic cotton use restriction upto December, 1999; announcement of higher ceiling for exports of cotton yarn of 40s and below counts during 1999, etc.

#### UNDP Assistance in Handicrafts Sector

3802. SHRI P. R. KYNDIAH : Will the Minister of TEXTILES be pleased to state:

(a) whether any proposal is under consideration of the Government to set up UNDP project in Meghalaya and other North Eastern States and also secure assistance from Japan and Korea for imparting training to local craftsmen;

(b) if so, the details thereof;

(c) whether the technical expertise and machinery will be obtained from Taiwan; and

(d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (d) Government have signed a Project Support Document with UNDP under Country Cooperation Framework (CCF-I) on Fibres and Handicrafts. Details of the sub-programmes are being finalised. Two of such sub-programmes would cover cane and bamboo and non-mulberry silk which would benefit the North-Eastern States including Meghalaya.

#### Guarantees on Resources of State Financial Corporations

3803. SHRI BIKRAM KESHARI DEO :

SHRI BHARTRAHARI MAHTAB :

Will the Minister of FINANCE be pleased to state:

(a) whether as per the State Financial Corporations Act, 1951, the State Financial Corporations raised resources through SLR and SSI bonds and State Governments are required to provide guarantees for repayment of principal and payment of interest;

(b) whether some State Governments do not charge any commission for such guarantee whereas some charge the guarantee commission;

(c) if so, the details thereof;

(d) whether this is a statutory requirement; and

(e) if so, the steps taken to have uniformity in this regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (e) Section 7 of the State Financial Corporations Act, 1951 states that " the financial corporations may in

consultation with the Development Bank and the Reserve Bank of India, issue and sell Bonds and Debentures carrying interest for the purpose of increasing its working capital and such Bonds and Debentures shall, if so required by the financial corporation be guaranteed by the State Government as to the repayment of the principal and the payment of interest at such rate as the State Government may, on the recommendation of the Board based on the advice of the Reserve Bank, fix. "As per provisions of the Act, it is not mandatory for the State Government to provide guarantee to the State Financial Corporations (SFCs). State Government charge commission from the respective SFC based on their own norms as and when the guarantee is sought by the SFC from the State Government.

#### Century Textiles and Industries Limited

3804. SHRI ASHOK NAMDEORAO MOHOL :

SHRI MADHAV RAO PATIL :

Will the Minister of TEXTILES be pleased to state:

(a) whether the Century Textiles and Industries Ltd. has shown continuous loss during the last three years;

(b) if so, the details thereof;

(c) the reason for such losses;

(d) whether this unit has been referred to BIFR;

(e) if so, whether the said unit has been declared as sick; and

(f) if so, the steps being taken for its revival?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (c) The balance sheet of private companies are not maintained by the Government.

(d) and (e) The unit has not referred to BIFR.

(f) Does not arise.

#### Centrally Sponsored Projects of Sericulture In Assam

3805. SHRI NRIPEN GOSWAMI : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government propose to launch Centrally Sponsored Sericulture Projects at Raha and Suakuchi in Assam; and

(b) if so, the details thereof?

THE MINISTER OF TEXTILES ( SHRI KASHIRAM RANA) : (a) and (b) In order to supplement the efforts of the State Government the Central Government is implementing a number of schemes/projects/programmes through the Central Silk Board (CSB) in Assam for promoting development of silk. These include schemes for extension of R & D, training,