

vals to 100% Export Oriented Projects which are located in the area earmarked, for the 100% Export Oriented Units cluster to be developed by the State Govt. eminent.

(c) The following determinants were considered while taking a decision to establish new Export Processing Zones at Madras, Cochin, Noida, Falta and Visakhapatnam :

- (i) proximity of an international seaport or airport;
- (ii) existence of an industrial infrastructure;
- (iii) availability of commercial infrastructure such as banking, insurance warehousing etc;
- (iv) linkage with hinterland for inputs;
- (v) existence of communication facilities;
- (vi) availability of community infrastructure (housing, health, municipal services etc.).

(d) and (e) Some suggestions had been received for the development of Free Port in the Andaman & Nicobar Islands. Government have since decided not to establish a Free Port in the Andaman & Nicobar Islands.

Permission to Karnataka Government for Financing of Irrigation Projects through Public Bonds

*417. SHRI J. P. JAVALI : Will the Minister of FINANCE be pleased to, state :

(a) whether Karnataka Government has sought permission of the Central Government to raise resources through public bonds for financing irrigation and power projects; and

(b) if so, what action has been taken thereon ?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE) : (a) Yes, Sir.

(b) The present scheme of Public Sector Bonds is confined to Central Public Sector Undertakings

Buy-back Agreement for Newsprint with Kenya

*418. SHRI SYED SIBTEY RAZI : Will the Minister of COMMERCE be pleased to state :

(a) whether any buy-back agreement for newsprint has been signed with Kenya;

(b) if so, what are the details thereof;

(c) whether any assessment of requirement of newsprint has since been made; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI ARANGIL SHREEDHARAN) : (a) No, Sir.

(b) Does not arise.

(c) and (d) Registrar of Newsprint for India has estimated the total requirement of Newsprint for the year 1990-91 at 5.65 lakh tonnes.

Extension of Scheme of Group Insurance by LIC to Handloom Weavers in Private and Cooperative Sectors

*419. SHRI PRAGADA KOTAIAH:

I Will the Minister of FINANCE be pleased to state :

(a) whether the scheme of group insurance suggested by the LIC with the approval of Government would be extended to cover handloom weavers in the private sector alongwith the handloom weavers in cooperative sector;

(b) whether any representation has been received proposing certain modifications in the scheme to help handloom weavers;

(c) if so, what are the modifications proposed; and

(d) what action has been taken thereon in the light of the modification proposed ?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE) : (a) to (d) As the administration of a Group Insurance Scheme requires a nodal agency for

mitting list of insured members, collection and remittance of premium and I also preferring claims, the Scheme for Handloom Weavers was framed by the Life Insurance Corporation of India to cover those weavers who are members of cooperative societies which can act as a nodal agency on behalf of the insured members.

2. The proposals for carrying out certain modifications in the existing Group Insurance Scheme for Handloom Weavers, received from various quarters are summarised as below :—

- (1) The Scheme should cover all handloom weavers including those outside cooperatives like individual weavers, weavers assisted by the Director of Handlooms/Handloom Corporation of the State Governments, allied workers in Handloom industry and the workers under the Khadi and Village Industries Commission.
- (2) The eligibility criteria of 180 days' continuous work in a year and earning of Rs. 200/- p.m. for entry into the Scheme should be removed.
- (3) The insured amount of Rs. 3000/- should be paid on survival at age 60 also.
- (4) The insured amount of Rs. 3000/- should be raised to Rs. 5000/- by increasing, if necessary, the annual premium from Rs. 30/- to Rs. 45/- to be shared equally by the Centre, State Governments and the insured member.

The action taken on the above proposal are given serially as under :—

- (1) The Life Insurance Corporation of India has extended the Group Insurance Scheme for Handloom Weavers to weavers outside the Cooperative fold and also to all allied workers in the handloom sector and the Khadi Sector provided a nodal agency has been identified or where the State Government is willing to provide the nodal agency for collec-

tion and remittance of premium etc.

- (2) The eligibility condition of 180 days' continuous work and earning of Rs. 200/- p.m. to enter into the Scheme has been completely removed.
- (3) The Scheme is a low cost Scheme on no-profit no-loss basis and is purely a Term Insurance Scheme under which the premium received from the members and the subsidy from the Social Security Fund are pooled together to meet *death claims only*. The question of payment of sum insured on survival at age 60 does not therefore arise.
- (4) The Social Security Fund from which the Scheme is subsidised has been set up for the benefit of the weaker sections covering a large number of segments (including handloom weavers). Therefore, the quantum of insurance cover i.e. Rs. 3000/- and the low premium therefor under the Scheme for the Handloom Weavers have been determined taking into consideration this aspect. Enhancement of the cover for only one such section i.e. "weavers" is neither possible nor appropriate. However, the LIC has extended, on its own initiative, the double accident benefit, namely, payment of Rs. 6000/-, in the event of death due to accident, to the nominee of the member covered under the scheme.

Ban imposed by West Germany on the import of Leather Garments from India

*420. SHRI S. MADHAVAN : Will the Minister of COMMERCE be pleased to state :

- (a) whether it is a fact that the West German Government had banned the import of Indian Leather garments manufactured with the use of pentachlorophenol on the ground that this chemical is prone to skin diseases ;
- (b) whether leather garments worth several crores of rupees exported from