

availability to the textile industry throughout the season; and

(b) if so, what are the details of purchases made by the Corporation during 1985 and so far during 1986 and to what extent the decline in cotton price in local market has been arrested as a result of the purchases?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) The Cotton Corporation of India has been directed to purchase cotton at support prices without any restriction on quantity. The Corporation undertakes price support operation whenever the prices tend to fall below the minimum support prices. This cotton is sold to various segments of the textiles industry including the National Textile Corporation, State Textile Corporation, Khadi and Village Industries Commission etc.

(b) The Corporation purchased 15.56 lakh bales in 1985-86 (September, 1985 to August, 1986) and 63,366 bales during 1986-87 (from 1st Sept '86 to 6th November, 1986). The support price operations of Cotton Corporation of India are intended to ensure that the prices do not fall below the minimum support prices fixed by the Government.

Production of low-priced blended cloth

***119. SHRI NARESH C PUGLIA:** 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, what are the details in this regard; and

(c) what price has been fixed for such cloth?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) Yes, Sir.

(b) The "Basma Cloth Scheme" envisages production of cheap polyester blended cloth made from 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 will include bleached and dyed polyester blended shirtings and suitings which will be sold only through retail outlets operated directly by the approved implementing agencies.

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

Bifurcation of FERA

***120. SHRI KRISHNA KUMAR BIRLA:**
SHRI MAHENDRA PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether the Association of Chambers of Commerce and Industry have recently made certain suggestions to Government for the bifurcation of the contents of FERA;

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

(c) whether Government have considered these suggestions; and if so, what decision has been taken thereon?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) ASSOCHAM has suggested bifurcation of the contents of FERA into two separate enactments. The