

pari passu, the Stock Exchange have postponed its implementation for the present. A final decision in the matter has not yet been taken since the consultation with the Ministry of Law has not been completed.

Production of Diamonds

6927. SHRI H.B.PATIL: Will the Minister of COMMERCE be pleased to state:

(a) whether there is a considerable demand for Indian diamonds in most of the foreign countries.

(b) whether there is any proposal under Government's consideration to boost the production of diamonds in the country to meet the demand;

(c) whether any special funds have been allocated for this purpose; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE AND MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI): (a) Yes, Sir. Cut and polished diamonds from India have found a number of markets abroad.

(b) to (d). a national diamond exploration scheme was launched with Geological Survey of India, as lead agency and National Mineral Development corporation Ltd. (NMDC) and Minerals Exploration corporation as chief collaborators to explore the possible diamond bearing areas in Madhya Pradesh and Andhra Pradesh. NMDC is also engaged in expanding production capacity in the Panna Mine. No special funds have been allocated for the purpose.

Problems of Jute Industry

6929. SHRI JAGANNATH PATNAIK: Will the Minister of TEXTILES be pleased to state:

(a) whether the jute industry at present is faced with a number of problems;

(b) if so, whether Government have since identified the problems; and

(c) the remedial steps taken by Government thereon?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) and (b). The main problems faced by the Jute Industry are increasing competition from synthetic substituted with in the domestic as well as in the international markets, absolute machinery and equipment, low productivity and managerial deficiencies.

(c) A statement is given below:-

STATEMENT

Some of the Important measures taken for revival of the jute industry are:

- (i) Setting up of a jute Modernisation Fund of Rs. 150 crores with effect from 1 st November, 1986 for modernisation of jute mills.
- (ii) Setting up a Special Development of Rs. 100 crores for restructuring/re-opening /rehabilitation of jute industry as well as for development of jute agriculture.
- (iii) Enactment of a legislation i.e. Jute Packaging Material (compulsory use in packing Commodities) Act, 1987 for mandatory usage of jute packaging material for certain sectors of the economy;
- (iv) Waiver of Customs Duty on import of certain specified items of jute machinery and accesso-