

(e) No Sir.

(f) All the existing assesseees in the three cities of Delhi, Mumbai and Chennai are to be allotted Permanent Account Number under the new series by 31.3.1999. 70% of those assesseees in the rest of the country, who apply for PAN under the new series during 1998-99, are to be allotted PAN by 31.3.1999.

Impact of Sanctions on Industrial Sector

*448. SHRI K.C. KONDIAS :
DR. T. SUBBARAMI REDDY :

Will the Minister of INDUSTRY be pleased to state :

(a) whether the decision to impose sanctions against India by USA and other countries is likely to affect the industrial sector in the country;

(b) if so, the details thereof and reaction of the Government thereto;

(c) whether this is likely to hit US Investment in high-tech area;

(d) if so, the details thereof and the assessment made in this regard; and

(e) the steps being taken by the Government to meet the situation?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) As per presently available assessment, sanctions imposed by USA and other countries against India are not likely to affect the industrial sector in a significant manner during the current year. Though the denial of loans and guarantees by US Exim Bank and Overseas Private Investment Corporation (POIC) could result in an increase in the cost of borrowing in some sectors, the impact of sanctions would be minimal as companies would be able to secure alternative sources of finance.

(c) and (d) Sanctions are not likely to affect US investment in high-tech areas as US sanctions do not put any restriction on private investment flows into India. India is perceived as a large and growing market and attractive destination for MNCs. As a matter of fact, the amount of US origin foreign direct investment approved has gone up more than three-fold in June, 1998 as compared to May, 1998.

(e) Government is closely monitoring the situation to ensure that sanctions have minimal impact on overall industrial production. Core Group of Secretaries on Economic Matters has been constantly assessing the impact of economic sanctions against India with a view to formulating appropriate responses as part of an ongoing exercise.

Status Paper on Raw Jute/JCI

*449. SHRI RAVINDRA KUMAR PANDEY :
SHRI SURENDRA PRASAD YADAV (JAHANABAD) :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government have decided to diversify the jute products;

(b) if so, the details thereof;

(c) whether any Status Paper is being prepared regarding all aspects of this sector, particularly the marketing of raw jute and the role of Jute Corporation of India; and

(d) if so, the time by which the said Status Paper is proposed to be brought out and the details thereof?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) In 1992 Government approved a 5 year national programme for the jute sector with financial assistance from the UNDP. Under this programme, an assistance of the order of US\$ 19.53 million from UNDP in conjunction with Government of India's matching contribution of Rs. 36.63 crores upto March 1998 have been provided. The major objectives of this programme are to enhance the welfare of jute farmers by implementing schemes to improve productivity, facilitate the diversification of the jute sector by developing new technology, promote employment opportunities by encouraging new entrepreneurs to set up manufacturing facilities for jute based items, assist development of the indigenous machinery-manufacturing sector for catering to the diversified products programme, both in the textile-related and non-textile areas and strengthen R&D efforts in these fields.

Some of the new areas under which the use of jute has become possible now are—production of fine jute yarn and jute cotton blends; use of jute pulp in paper production; use of jute in packaging and geo textiles; application of electronic instrumentation in the jute industry; use of jute yarn and fabrics in the handlooms and handicrafts sector; improvement of jute fibre by enzyme treatment and new retting techniques; indigenisation of jute machinery; steam explosion technology; production of jute reinforced composites and training and Human Resource Development in the jute sector.

(c) and (d) No Status Paper has been prepared regarding all aspects of jute diversification. However, the Government has been monitoring implementation of jute diversification activities through evaluation of its diversification projects under the UNDP Jute Programme and NCJD.