

(b) if so, the details thereof;

(c) whether Government are considering a proposal to bring about some kind of legislation to protect the domestic industry; and

(d) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) and (b) Reduction in import tariff on project imports and finished products is a part of the package of economic reforms which was started by the Government in 1991. The impact of tariff reduction per se on industrial production is not negative. Growth of industrial production depends on a number of factors both domestic and external. Tariff reduction is only one of the factors impinging on industrial profitability and it also has a beneficial effect because imported inputs also become cheaper.

(c) and (d) There is no proposal to bring about legislation to protect domestic industry. In fact economic reforms and consequent deregulation in industry is expected to buoy up the domestic industry in the long run through improvement in productivity and allocative efficiency.

Jute and Coir industry

4321. SHRI PARAG CHALIHA: Will the Minister of INDUSTRY be pleased to state the details of the steps taken by Government for the promotion and modernisation of jute and coir industries in the country?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): The Government of India have taken following main steps for the promotion and modernisation of Jute and Coir Industries in the country.

Jute Industry

(a) Introduced Jute Modernisation Fund Scheme (JMFS) and special Jute Development Fund Scheme with a corpus of Rs. 150 crores and Rs. 100 crores respectively. In replacement of JMFS, Jute Entrepreneurs Assistance scheme has been introduced from 1.4.1995.

(b) Under liberalised import policy, jute mills can now freely import their modern machinery directly under the open general licence with normal import duty.

(c) Customs duty on jute mill machinery

has been reduced gradually. Again, under export promotion, capital goods scheme, jute mills have been allowed to import machinery at concessional import duty with corresponding export obligation for jute goods.

(d) With financial assistance from Government and UNDP, the IJMA alongwith research associations and domestic machinery manufacturers have taken up a project to develop suitable machinery in the country for modernisation of the jute industry.

Coir Industry

The Government of India have taken several steps through the Coir Board for the promotion and modernisation of Coir Industry in the country. Substantial Plan and non-Plan funds to the Coir Board are being provided by the Government on an increasing basis year after year particularly during the last 2-3 years. Plan outlay during IXth Plan for the Coir sector has been stepped up manifolds by the Government. Assistance is also being provided to the States under the Integrated Coir Development Programme for promoting growth and development of the Coir Industry in an integrated manner.

Following are main activities being implemented by the Coir Board for the promotion and modernisation of the Coir Industry:—

- (a) Undertaking scientific, technological and economic research and development activities.
- (b) Development of new products and novel designs.
- (c) Publicity for promotion of exports and internal sales.
- (d) Marketing of coir and coir products in India and abroad.
- (e) Preventing unfair competition amongst producers and exporters.
- (f) Carrying out training activities for grooming skills etc.
- (g) Assisting in setting up of factories for the manufacture of products.
- (h) Promoting cooperative organisations among producers of husks, coir fibre, coir yarn and manufacturers of coir products.
- (i) Ensuring remunerative returns to producers and manufacturers.