

Jet Airways also started a daily flight on the sector Delhi-Pune-Delhi w.e.f. 22.11.97. Out of 476 flights of Jet Airways, 88 flights were delayed. Only 16 flights were delayed because of factors within the control of Jet Airways.

The remaining flights were delayed because of adverse weather, airport restrictions, consequential and miscellaneous reasons.

#### **Action plan to fight economic sanctions**

\*592. SHRI PARAG CHALIHA:

SHRI GOVINDRAM MIRI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that all Union Ministries have recently been asked to prepare their action plans to fight the negative impact of economic sanctions;

(b) if so, the details of action-plans prepared; and

(c) the modus operandi to implement the same?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (c) Union Ministries monitor developments in the economy and or external developments relevant to the subjects under their charge (as per Allocation of Business Rules). Appropriate adjustments are made to the policies and programmes to meet new developments as and when thought necessary and useful.

The sanctions/suspensions/delay in economic aid will have little effect on the balance of payments in 1998-99, as disbursements of previously sanctioned loans are not affected. Similarly, approval of new aid related to basic needs have generally not been affected. Thus, at this point, the impact is not likely to be significant during 1998-99, though one must keep in mind that the precise nature of the sanctions/suspensions is still not clear.

The general approach of the Government in countering the effect of sanctions is to try to get a better understanding of

our position on the part of other countries and also to encourage private capital flows to substitute for whatever reduction takes place in official flows. To this end the Government is pursuing its stated policies of encouraging inflows of foreign direct investment or NRI flows and ensuring that our economic situation is strong and such as to create confidence in financial markets. It is also expediting various programmes and changes which will improve the general climate for investment, growth and equity.

#### **Bonds by SBI**

\*593. SHRI YERRA NARAYANASWAMY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that State Bank of India wants to raise US \$ two billion through bonds;

(b) if so, the details of this proposal;

(c) what are the bonds in foreign currency already with State Bank of India;

(d) whether Government have assessed this proposal on a long term basis; and

(e) if so, whether Government approves this style of raising bonds?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (e) The Government has decided to mobilise foreign currency resources from Non-Resident Indians through Resurgent India Bonds to be launched by the State Bank of India for our country's development, especially for building up infrastructure. This was announced by the Finance Minister in his Budget Speech on June 1, 1998 (vide para 45). In pursuance of the above decision of the Government, SBI has been permitted to float the Resurgent India bonds. SBI expects to raise about US \$ 2 billion. SBI had issued NRI Bonds Series I and India Development Bonds in 1988 & 1991, respectively which matured in 1996 & 1997, respectively. SBI had also issued NRI Bonds Series II in 1990 which is maturing in 1998.

The SBI is in the process of finalising the offer document and some details of