

(a) whether the bankers have expressed fears on Y2K problem due to which huge customers withdrawals are expected by the end of this year;

(b) if so, whether the RBI has set up a Committee to solve the Y2K problem;

(c) if not, the details of recommendations made by the Committee; and

(d) the concrete steps the Government propose to take to solve the issue?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) As reported by Reserve Bank of India (RBI) banks have not expressed any fear of huge withdrawals on account of developments relatable to Y2K.

(b) to (d) RBI have constituted a Working Group on Y2K issues under one of the Deputy Governors, which includes representatives of Indian Banks' Association, National Institute of Bank Management and some bankers. Officials of Ministry of Finance, Department of Telecommunications and Department of Electronics are also invited to participate at the meetings of the Working Group. This Group reviews on bimonthly basis the progress made in achieving Y2K compliance by banks including RBI. A contingency plan has also been developed to ensure business continuity in case of any failure of computers. The Boards of Directors of the concerned banks also monitor the progress relating to Y2K compliance on a continuing basis.

[English]

Illegal Import of Raw Pashmina

3866. SHRI CHAMAN LAL GUPTA: Will the Minister of TEXTILES be pleased to state:

(a) whether a large quantity of unsold pashmina is lying with different Cooperatives/Boards of Jammu & Kashmir;

(b) if so, the details thereof and the reasons therefor;

(c) whether the nomadic people of Changthang of Leh district who are wholly dependent on the live stock products i.e. Pashmina, are on the verge of starvation because their Pashmina is not being sold as a large quantity of Pashmina is being imported illegally from China and Nepal; and

(d) if so, the steps taken/proposed to be taken to stop such illegal import and disposal of their unsold Pashmina?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) According to the information received from the State Government of Jammu & Kashmir, nearly 6300 Kg. of raw pashmina is lying with the J&K Sheep & Sheep Products Development Board and one Cooperative Society of Leh. The prevalent market prices of raw pashmina do not warrant disposal of stocks.

(c) and (d) Non-disposal of raw pashmina with the

nomadic people of Changthang region is also because of the non remunerative market prices and this has caused them a little financial hardship. The State Government of Jammu & Kashmir has informed that there are no authentic reports of illegal importation of pashmina in Ladakh region from Nepal and China.

Procedural Hurdles in Export

3867. SHRI UTTAMSINGH PAWAR : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have received any suggestions from the Federation of Indian Chamber of Commerce and Industry to adopt three-pronged strategy to remove procedural hurdles to reverse the export slide;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF COMMERCE (SHRI RAMA-KRISHNA HEGDE) : (a) and (b) Yes, Sir. A memorandum was received by the Government on 12th August 1998 from Federation of Indian Chambers of Commerce and Industry containing various suggestions for reversing export slide. Some of the steps suggested in this memorandum were reduction in transaction cost, Revamping of export credit schemes, Remodelling of EPZs, Promoting Service Exports, Extension of DEPB scheme to Deemed exports, Lowering of threshold limit on EPCG scheme, ensuring power supply at competitive rates to manufacturing enterprises, overcoming customs related complexities and optimal utilization of port facilities.

(c) Many of these suggestions have been accepted and incorporated in the Exim Policy announced on 31st March, 1999.

Export of Gems and Jewellery

3868. SHRI RANJIB BISWAL : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government propose to increase the processing of diamonds and export of gems and jewellery;

(b) if so, the steps taken in this regard during the last three years and achievements made in this regard so far;

(c) whether the overall export of gems and jewellery has been dismal during 1998-99;

(d) if so, the reasons therefor; and

(e) the steps proposed to be taken to increase the diamond processing and export of gems and jewellery during 1999-2000?

THE MINISTER OF COMMERCE (SHRI RAMA-KRISHNA HEGDE) : (a) Yes, Sir.

(b) The important policy initiatives taken during the last three years to increase the exports of gems and