

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As against foreign exchange reserves, excluding gold and Special Drawing Rights, of Rs. 6817 crores on 1st April, 1985, on 31st March, 1986, the reserves stood at Rs. 7384 crores.

(b) and (c). Do not arise.

Karnataka Government request for increase in quota allotment of controlled cloth

**3413. SHRI H. N. NANJE GOWDA :
SHRI G. S. BASAVARAJU :**

Will the Minister of TEXTILES be pleased to state :

(a) whether Government of Karnataka has requested the Union Government to enhance the quota of allotment of controlled cloth from 14.136 million sq. metres to 34.136 million sq. metres; and

(b) if so, the reaction of the Union Government thereto ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Yes, Sir. The request, however could not be acceded to in view of the fact that the Government of Karnataka could not lift the entire quantity of controlled cloth allotted to them as per Scheme.

Loan to cooperative spinning mills in Karnataka by IDBI

**3414. SHRI H. N. NANJE GOWDA :
SHRI G. S. BASAVARAJU :**

Will the Minister of FINANCE be pleased to state :

(a) whether Government of Karnataka have requested Union Government to advise IDBI to provide loans to some of the co-operative spinning mills of Karnataka;

(b) if so, whether Union Government have taken up the matter with the IDBI; and

(c) the steps taken by Government to make available loans to the cooperative spinning mills of Karnataka ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). References had been received from Government of Karnataka regarding providing loans to some cooperative spinning mills of Karnataka. The matter was taken up with IDBI. IDBI have reported that in view of large capacity already created in textile spinning industry and also considering the fact that a number of such units assisted by the institutions have not been performing well due to prolonged demand recession, the institutions have decided not to take up any new gross root spinning projects for processing, for the time being.

Boosting export of project and consultancy services

3415. SHRI SRIBALLAV PANIGRAHI: Will the Minister of COMMERCE be pleased to state :

(a) whether Government have recently announced measures to boost the export of projects and consultancy services; and

(b) if so, the details in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) and (b). With a view to providing support to project exports and consultancy services, it has been decided to :

- (i) grant project assistance to the tune of 10 per cent of the net foreign exchange earnings from the service portion of the contracts in respect of industrial turnkey and civil construction projects as well as for export of consultancy services;
- (ii) grant Market Development Assistance for reimbursement of cost of bids for turnkey/construction projects and consultancy services on a graduated scale for overseas markets; and
- (iii) grant enhanced rates of assistance on a graduated scale to consultancy organisations on the approved recurring expenditure incurred for opening and operating overseas offices.