

from State Electricity Boards.

Balance of Payment Position

788. SHRI G.S. BASAVARAJU: Will the Minister of FINANCE be pleased to state:

- (a) whether the balance of payment position of country is critical;
- (b) whether any specific measures have been taken to cut down the import bill; and
- (c) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) to (c). Full balance of payment data are available for the financial year as a whole only upto 1987-88. During 1988-89, the foreign exchange reserves (excluding gold and Special Drawing Rights) declined from Rs. 7287 crores as on 1.4.88 to Rs. 6605 crores as on 1.4.89.

The decline in reserves, as per available indications, is due primarily to sharp increase in international prices of some of the major bulk commodities like steel, non-ferrous metals, petrochemicals and other imports; increase in import of petroleum products, fertilizers and steel; imports of wheat, rice and other items necessitated by the unprecedented drought of 1987-88 and lower net receipts of aid and higher repayments to the IMF as compared to last year.

A special Action Plan drawn up by Government for Balance of Payments turnaround aims at measures to generate additional exports, contain imports and augment foreign exchange earnings through NRI Deposits/bonds, additional direct/indirect

investments and increased tourism receipts.

Proposal to Launch High Denomination Coins

789. SHRI G.S. BASAVARAJU: Will the Minister of FINANCE be pleased to state:

- (a) whether there is any proposal for launching high denomination coins by the Reserve Bank of India;
- (b) if so, whether final decision has been taken in the matter;
- (c) the details of coins of high denominations proposed to be launched and the benefits likely to accrue as a result thereof;
- (d) whether two rupee coins have been withdrawn; and
- (e) if so, the reasons thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) to (c). Rupees five denomination coins were put into circulation some time ago. There is no other proposal for launching coins of higher denomination than Rupees five.

(d) No, Sir.

(e) Does not arise in view of the answer to part (d).

Coca Cola Proposal to set up EOU in Noida

790. SHRI G.S. BASAVARAJU: Will the Minister of COMMERCE be pleased to state:

(a) whether the Coca Cola's proposal to set up export oriented unit in NOIDA has been placed before the Project Approval Board;

(b) if so, whether the project has been cleared by the Approval Board;

(c) if not, the reasons for the delay; and

(d) by what time the final decision will be taken?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSJI): (a) to (d). The proposal of the Coca Cola Company for setting up a unit in Noida Export Processing Zone for the manufacture of proprietary compound preparation and extracts to be used in the production of concentrates for non-alcoholic beverages is under the consideration of the Government. As the proposal involves in-depth examination of important issues in consultation with concerned authorities, it is not practicable or possible to indicate specific time limits within which a final decision can be taken

Setting up Offshore Fund by State Bank of India

791. SHRI G.S. BASAVARAJU: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal to allow the State bank to India of set up a \$ 100 million offshore fund;

(b) if so, the place where the fund will be set up; and

(c) the likely advantages of setting up of this fund?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) Government have recently

conveyed approval to the State Bank of India for it's proposal to set up an Offshore Fund.

(b) Fund will be set up in the Netherland Antilles.

(c) The likely advantages of setting up of the Fund include the following:

i) Mobilisation of Foreign Exchange which would be invested primarily in equity shares and other securities of Indian Companies.

ii) Creation of greater awareness amongst foreign investors regarding India and the Indian Capital Market.

Visit of US Trade Delegation to India

793. SHRIMATI BASAVARAJESWARI:
SHRI S.B. SIDNAL:
SHRI MOHANBHAI PATEL:

Will the Minister of COMMERCE be pleased to state:

(a) whether US trade delegation visited India during May-June to discuss implication of various provision of the American Trade Bill, 1988;

(b) if so, the main point of the discussion held;

(c) whether any final decision for improvement of trade between the two countries has been taken; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSJI): (a) and (b). Prior to identification of India as a priority country under the 'Super 301' provision of US Omnibus Trade