

(iv) Higher cost of production due to escalation in the cost of inputs.

(v) High labour cost per unit of production.

(c) Opposition to redeployment has been one of the reasons for high labour costs in the unit.

(d) Bearing in mind the existing level of manning and the need to contain the manpower cost, additional recruitment was not considered necessary.

(e) As a result of intensive discussions at various levels, the production of Alloy Steels Plant has been resumed with effect from 30.10.1985.

#### Investment in Engineering Industry by World Bank

1800. SHRI AMAR ROYPRADHAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the World Bank has agreed to invest money to boost the engineering industry in the country during the Seventh Five Year Plan period; and

(b) if so, the details thereof and the allocation of funds to the States for development of engineering units established there, State-wise figures ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The World Bank have approved a loan of \$ 250 million for the Industrial Export (Engineering products) project. The objective of the project is to assist the Government of India in carrying out its programme to increase competitiveness of export and manufactured products, particularly in the engineering sub-sector. The loan would be drawn during the period January, 1986 to June, 1989. The following are the four components of this Project :—

#### Loan to ICICI

(i) \$ 160 million to finance the foreign exchange requirements of sub-

projects with \$ 100 million earmarked for engineering sub-projects.

#### Loan to GOI

(ii) \$ 70 million for financing the foreign exchange costs of credits made to engineering ancillary firms by selected commercial banks for expansion and upgrading.

(iii) \$ 10 million to establish a productivity Fund to finance upto 50 per cent of the cost of activities aimed at improving product quality and plant productivity; and

(iv) \$ 10 million to establish an Export Marketing Fund to finance upto 50 per cent of the costs of eligible development activities undertaken by Engineering Enterprises.

No State-wise allocation have been made.

#### Scheme for Utilisation of Tourism Potential in Seventh Plan

1801. SHRI K. KUNJAMBU : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether any study has been undertaken as to what percentage of the tourism potential in each State has been exploited so far;

(b) if so, the State-wise details thereof; and

(c) the schemes for the further utilisation of the potential in each State during Seventh Five Year Plan ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) No, Sir.

(b) Does not arise.

(c) Planning for the development of tourism in each State is primarily the responsibility of the respective State Governments. The Central Government has, how-

ever, taken up schemes for development of infrastructural facilities including low-priced accommodation, transport facilities, entertainment facilities, etc. in the Seventh Five Year Plan. Steps are also being taken for the preservation of certain places or areas which are national heritages and for improvement of the infrastructure through flood-lighting of monuments or development of resorts, etc.

**Interest Liability towards  
Non-Resident Account**

1802. SHRI HUSSAIN DALWAI : Will the Minister of FINANCE be pleased to state :

(a) the total interest liability of Government towards the Non-Resident (Foreign currency) Account in the next three years;

(b) its ratio with preceeding three years; and

(c) the steps the Union Government propose to take to check this growing liability ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The interest liability towards foreign currency Non-Resident (FCNR) account for the period 1st July 84 to 30th June 85 was as follows :

<i>US Dollars</i>	<i>Pounds Sterling</i>
58,725,701	20,156,426

It is difficult to estimate with a reasonable degree of accuracy the interest liability on deposits in foreign currency non-resident (FCNR) accounts for the next three years for the following reasons :

(i) inflow into and outflow from these deposits could undergo substantial changes at the discretion of the non-resident depositors.

(ii) Interest rates on FCNR accounts could also undergo changes over the material period depending on international movements in interest rates.

(iii) Non-Residents may deposit funds in maturities of different periods.

(b) Does not arise.

(c) Government are aware of the interest liability on deposits in foreign currency non-resident accounts and it is being closely monitored and watched.

**Target fixed for Export of Mica  
for 1984-85**

1803. SHRI MANVENDRA SINGH : Will the Minister of COMMERCE be pleased to state :

(a) the target fixed by Government for export of mica during 1984-85;

(b) how far this target has been achieved; and

(c) if the target achieved is not satisfactory the reasons therefor ?

THE MINISTER OF COMMERCE (SHRI ARJUN SINGH) : (a) to (c). A target of Rs. 27 crores for export of processed mica during 1984-85 had been fixed. Exports of processed mica (including scrap during 1984-85 are provisionally placed at Rs. 25.62 crores showing an achievement of about 95 per cent of the target. The shortfall in export vis-a-vis the target is due to increasingly greater export of value-added form of mica instead of processed mica.

**Introduction of Gujarat Pattern of  
Package Deal for Jute Industries  
in West Bengal**

1804. KUMARI MAMATA BANERJEE : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that Government have decided to apply Gujarat pattern of package deal in solving the problems of industries in the country;

(b) if so, whether the same pattern would be applied in relation to the jute industries of West Bengal; and