

(d) whether Government are contemplating amending its fiscal, policies to meet the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR

MURTHY): (a) Since the presentation of the Union Budget on February 28, 1994 the Reserve Bank of India has purchased US \$ 6642 million from authorised dealers upto July 22, 1994.

(b) The US dollar being the intervention currency, sale and purchase of foreign exchange from the authorised dealers are effected in U.S. dollars. The purchases by the RBI are determined by the surplus of US dollars in the Indian foreign exchange market.

(c) Accretion to foreign exchange reserves results in reserve money creation. This increase in reserve money leads to money supply expansion which if excessive, contributes to inflation. However, supply-side factors like foodgrain stocks, availability of foreign exchange reserves etc. mitigate these inflationary pressures. In the current year, the Central Government's recourse to net RBI credit has been significantly lower which has moderated the impact of foreign exchange reserves on reserve money and on money supply expansion.

(d) Government is determined to keep the fiscal deficit within 6 per cent of GDP during 1994-95 against 73 per cent during 1993-94 and also restrict the recourse to ad hoc treasury bills as stipulated in the Budget for 1994-95. Fiscal policy is constantly under review to meet the exigencies of the situation.

#### **Withdrawal of subsidy from energy sector**

137. SHRI GURUDAS DAS GUPTA: SHRI JALALUDIN ANSARI:

Will the Minister of POWER be pleased to state;

(a), whether it is a fact that Government are considering a proposal to completely withdraw subsidy from the energy sector; and

(b) if so, what is the extent and expected rise in the power tariff as a result thereof?

THE MINISTER OF POWER (SHRI N. K. P. SALVE): (a) No, Sir. The tariff for sale of electricity to the different sectors of consumers and the extent of subsidy to be provided is fixed by the SEBs with the approval of the concerned State Governments.

(b) Does not arise.

#### **Expansion of AIR/DD network in Madhya Pradesh**

\*133. SHRI GHUFRAN AZAM: Will the Minister of INFORMATION AND BROADCASTING be pleased to state: \*

(a) whether Madhya Pradesh Government have recently sent proposals to the Union Government for the expansion of AIR/Doordarshan network;

(b) if so, whether the existing number of T.V. transmitters and AIR stations in the State are inadequate to cover the entire population and area; and

(c) if so, the plans of Government to set up such AIR/Doordarshan transmitters during the Eighth Plan period?

THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING (SHRI K. P. SINGH DEO): (a) Yes Sir.

(b) Present coverage of the State by AIR is 97 per cent by population and 95 per cent by area, while the coverage by Doordarshan is 69.7 per cent by population and 64.4 per cent by area. The national average coverage is as follows;