

the Pension Fund, the following amendments have been carried out in the Employees' Pension Scheme, 1995 :

(i) The 'reduction factor' for early vesting of Pension has been increased from 3% to 4% under para 12(7) of the Scheme.

(ii) Provisions of communication and 'Return of Capital' under para 12A and para 13 respectively of the Scheme have been deleted.

The issue was also discussed in the meeting of Central Board of Trustees (Employees' Provident Fund) where the representatives of Employers and Employees presented their view points.

Further, a Committee comprising representatives of Employers and Employees besides Actuary is also reviewing the whole Scheme for its viability in the long run.

Position of foreign exchange reserves

1596. SHRI KAMAL AKHTAR : Will the PRIME MINISTER be pleased to state :

- (a) the present position of foreign exchange reserves in the country;
- (b) whether there has been a decline in foreign exchange reserves in last six months; and
- (c) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL) :
(a) The foreign exchange reserves (including gold, Special Drawing Rights and Reserve Tranche Position) stood at US \$247.69 billion as on November 30, 2008.

(b) and (c) The foreign exchange reserves were at US \$ 247.7 billion as on November 30, 2008 compared to US \$ 312.1 billion as on June 30, 2008. The fall in the foreign exchange reserves in the recent past has been due to the cumulative impact of Net Foreign Institutional Investment (FII) outflows as a result of the global financial crisis; trade outflows due to higher crude oil prices and import demand; revaluation losses due to strengthening of the US dollar against other major currencies; and intervention by the Reserve Bank of India in the foreign exchange market to smoothen exchange rate volatility.

Subsidy Bill

1597. SHRI N.K. SINGH : Will the Prime Minister be pleased to state :

- (a) what was the total subsidy bill of Government on account of petroleum, fertilizer and food for 2007-08 and so far during the current year; and
- (b) how does Government propose to fund the cost?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL) :
(a) and (b) The amount of subsidy on account of petroleum, fertilizer and food for 2007-08 and during the current year so far is given in the table below. These have been funded through budgetary grants.

Explicit subsidies of the Central Government
(Rupees crore)

	2007-08 (Provisional Actuals)	2008-09 up to October, 2008
Food subsidy	31328	28673
Fertilizer subsidy	32490	32686
Petroleum subsidy	2820	1306

Source: Controller General of Accounts, Ministry of Finance.

Trading in currency future

1598. SHRI S.S. AHLUWALIA : Will the PRIME MINISTER be pleased to state:

(a) whether Government has launched the facility of trading in currency future in Indian stock exchanges;

(b) if so, the details thereof indicating salient features of the facility and the objectives behind its launching;

(c) the details of regulatory mechanism, if any, dedicated to governing the conduct of the 'currency future trading' facility;

(d) whether similar facility has been in vogue in several other countries; and

(e) if so, the details thereof indicating extant regulatory mechanism in the respective countries and their comparison with those introduced in India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL):

(a) Yes, Sir.

(b) The exchange traded currency futures started trading first on the National Stock Exchange on August 29, 2008, followed by the Bombay Stock Exchange and the Multi Commodity Exchange - Stock Exchange (MCX-SX) on October 1, 2008 and October 7, 2008, respectively.

The salient features of exchange-traded currency futures are as under:-

- i) Underlying- US Dollar - Indian Rupee (USD-INR)
- ii) Trading Hours- 9 a.m. to 5 p.m
- iii) Size of the contract- USD 1000
- iv) Quotation- in Rupee terms
- v) Tenor of the contract- maximum maturity of 12 months
- vi) Available contracts-monthly maturities from 1 to 12 months
- vii) Settlement in Indian Rupee
- viii) Settlement price- Reserve Bank of India Reference Rate on the date of expiry
- ix) Final settlement day-last working day (excluding Saturdays) of the month.