

**Foreign Exchange Reserves**

225. SHRI DHARAMCHAND JAIN:

SHRI N. K. P. SALVE:

SHRI MURLIDHAR CHANDRAKANT BHANDARE:

SHRI KALPNATH RAI:

SHRI GURUDEV GUPTA:

Will the Minister of FINANCE be pleased to state:

(a) what are the details of the foreign exchange reserves of the country as on 31st October, 1981;

(b) what are the details of the foreign exchange reserves of the country towards the end of 1980 and as on 30th April, 1981; and

(c) what further specific steps are contemplated to improve the position and to maintain the foreign exchange reserves at a comfortable level so as to be able to meet the country's import bill?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): (a) and (b) India's foreign exchange reserves (excluding Gold and Special Drawing Rights) stood at Rs. 3654.92 crores on the 31st October, 1981, Rs. 4760.70 crores on 31st December, 1980 and Rs. 4610.38 crores as on the 30th April, 1981.

(c) The Government has been taking a number of steps to improve the foreign exchange reserves position and to maintain their level at a comfortable level so as to be able to meet the country's import bill. In order to meet the requirements of foreign exchange, Government of India will utilise, to the extent available, bilateral and multilateral sources of external assistance. Government recently entered into arrangements with the International Monetary Fund for a loan of SDR 5 billion which will become

available over a period of three years. Wherever considered necessary, this would be supplemented by resorting to export credits and in suitable cases to commercial borrowings, while ensuring that the debt-service obligations of the country are kept within prudent limits. Besides this, Government are taking steps to remove constraints on indigenous production and to bring about better capacity utilisation within the country. In crucial areas of production, capacity is also being expanded to reduce dependence on imports. Efforts are also being made to step up domestic exploration and production of oil and gas, develop alternative energy sources and increase export performance so that the country can pay for rising import requirements.

**D. A. Instalments, merger of D. A. and impounding of D. A.**

226. SHRI DHARAMCHAND JAIN:

SHRI NARASINGHA PRASAD NANDA:

SHRI F. M. KHAN:

SHRI SYED AHMAD HASHMI:

SHRI KALRAJ MISHRA:

Will the Minister of FINANCE be pleased to state:

(a) whether price-index is rising continuously; if so, the latest position thereof;

(b) what is the number of D.A. instalments which became due but remain unpaid; and since when they became due;

(c) what are the reasons that these have not been released in spite of daily rise in prices;

(d) by when these are proposed to be released;

(e) whether Government are considering a proposal to impound part of D.A.; if so, what are the reasons therefor;

(f) whether Government are also considering to merge part of D.A. with pay;

(g) whether Government have sought legal opinion on these questions; if so, what are their details;

(h) what are the reasons for which Government did not withhold large amounts of bonus/ex-gratia payments to employees of public undertakings, P&T and Railway employees but have chosen to withhold D.A. payments; and

(i) whether representatives of employees have made representations in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA): (a) The All India Average Consumer Price Index for Industrial Workers (General) (1960=100) has been rising continuously since January, 1981. The latest index figure for September, 1981 is 456 and the 12-monthly average of the index is 427.50.

(b) to (d) Consequent on the 12-monthly index average reaching 409 points at the end of May, 1981, the Government have sanctioned one more D.A. instalment to the Central Government employees from 1-6-1981. The 12-monthly index average has registered a further 9 point increase at the end of July 1981 and another 9 point increase at the end of September, 1981. Consequently, two more D.A. instalments from 1-8-1981 and 1-10-81 respectively have become due for consideration. The question of payment of these instalments is engaging the attention of the Government.

(e) During informal discussions with some representatives of the Staff side on the question of merger of D.A. with pay and other related issues, the question of keeping in deposit a part of the future payments of D.A. instalments also came up for discussion. No final view has emerged so far.

(f) A demand made by the Staff side in the National Council (JCM) to

merge the D.A. sanctioned to the Central Government employees upto the average index level of 344 with their pay for all purposes is at present before a Committee set up by the National Council to consider this and some other connected issues.

(g) No, Sir.

(h) and (i). Does not arise.

#### Secret Report for consideration of IMF Executive Board

227. SHRIMATI KANAK MUKHERJEE: Will the Minister of FINANCE be pleased to state:

(a) whether his attention has been drawn to reports published by "Hindu", Madras dated 20th and 21st October, 1981, wherein it has been stated that IMF staff have already submitted a 48-page secret report for consideration of the IMF Executive Board; and

(b) if so, what are the facts thereof and Government's reaction thereto?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): (a) Yes, Sir.

(b) The International Monetary Fund have studied in detail the adjustment programme of the Government of India and have approved on November 9, 1981 an extended arrangement in an amount equivalent to SDR 5000 million.

#### Total Foreign Aid from International Financial Institutions

228. SHRIMATI KANAK MUKHERJEE: Will the Minister of FINANCE be pleased to state:

(a) the total foreign aid authorised as at the end of March, 1981;

(b) the share (in amount as well as in percentage to total) of IMF, IDA, IBRD and International Finance Corporation (separately) in this total; and

(c) the particulars of projects for which each of the above International