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UNDP	73.31	25.74	38.14
UNFAO	0.00	0.05	0.03
UNFPA	70.51	17.86	21.00
GRAND TOTAL	5896.05	2610.79	2873.91
Grant - Non-Govt.			
IBRD	0.00	0.00	0.10
Germany	43.09	169.06	742.67
GRAND TOTAL	43.09	169.06	742.77

Abbr: IDA: International Development Association, IBRD: International Bank for Reconstruction and Development, ADB: Asian Development Bank, GoJP: Government of Japan, IFAD: International Fund for Agricultural Development, AFD: French Development Agency, UNDP: United Nations Development Programme, UNFAO: United Nations Food and Agriculture Organisation, UNFPA: United Nations Population Fund, EEC: European Economic Community.

### **Diminishing value of rupee**

1297. DR PRADEEP KUMAR BALMUCHU: Will the Minister of FINANCE be pleased to state:

- (a) whether the decline in the value of Rupee in the international market is seriously affecting the Indian Economy;
- (b) if so, the details thereof; and
- (c) the remedial measures being adopted by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) The impact of exchange rate depreciation on Indian economy depend on a set of factors, including exchange rate and elasticity of exports and imports. Theoretically, the depreciation of a currency should boost the country's exports as goods produced by domestic companies become cheaper in the international market. Therefore, while the rupee depreciation should benefit export oriented companies, though with a lag, the same makes the imports costly for import oriented companies. The exchange rate depreciation, however, is one of the

factors affecting the performance of Indian economy. The other factors are slowdown in global and domestic demand.

(c) The Government of India and the Reserve Bank of India have taken a number of steps to facilitate capital flows and boost exports in order to augment supply of foreign exchange to stem the decline in the exchange rate value of the rupee. Recent measures, *inter-alia*, include hike in FII investment in debt securities (both corporate and Government securities), enhancing all-in-cost ceiling for external sector borrowings (ECBs) between 3-5 year maturity, higher interest rate ceiling for foreign currency Non-resident deposits and deregulation of interest rates on rupee denominated NRI deposits. The manufacturing and infrastructure sector companies can now avail of external sector borrowing up to a ceiling of US\$ 10 billion for repayment of outstanding rupee loans towards capital expenditure. Besides, under the Annual Supplement 2012-13 to Foreign Trade Policy 2009-14, the Government has announced initiatives to boost exports to about US\$ 360 billion in 2012-13.

#### **Revision of fair practices code in gold loan business**

1298. SARDAR SUKHDEV SINGH DHINDSA: Will the Minister of FINANCE be pleased to state:

(a) whether RBI has asked NBFCs involved in gold loan business to revise their fair practices code;

(b) whether Government is aware of the exploitation of staff by these NBFCs through unfair practices like retention of original educational certificates and demand of penalty in cash for release of certificates;

(c) the amount collected in this manner till date by these NBFCs;

(d) the details of representations received from public in this regard by the Government, the action taken thereon; and

(e) the steps taken by Government to ensure the refund of amount collected in this manner by these NBFCs to the victimised young employees?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Reserve Bank of India (RBI), *vide* its circular dated 28.09.2006, issued guidelines to all Non-Banking Financial Companies (NBFCs) on Fair Practices Code (FPC) to be adopted by them while doing lending business,