

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:205
ANSWERED ON:25.02.2000
USE OF RUPEE FUNDS BY RUSSIA .
ALE NARENDRA

Will the Minister of FINANCE be pleased to state:

- (a) whether attention of the Government has been drawn to the news-item captioned 'Pact on use of rupee funds by Russia likely' appearing in 'The Times of India' dated January 15, 2000;
- (b) if so, the facts of the matter reported therein; and
- (c) the reaction of the Government thereto ?

Answer

MINISTER OF STATE IN MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) Yes Sir.

(b) & (c) There is an in-principle understanding between India and Russia that a part of Rupee Repayment Funds owed by India to Russia may be used for Russian investment in joint ventures in India. The details in this regard, including the guidelines, areas for such investment and related modalities have not been finalised yet. Operationalisation of such an agreement for investment can have a positive impact on the bilateral cooperation between the two countries.