

WAR THAKUR: (a) and (b). Yes, Sir. Foreign Exchange Reserves position as on June 1, 1991 was Rs. 2677 crores and on December 3, 1991 the Reserves level was Rs. 7242 crores.

(c) Change in foreign exchange reserves level is the net result of variations in a large number of items in the trade account, invisible receipts and payments, and in the capital account. It is, therefore, not feasible to specifically quantify the breakup of the increase in foreign exchange reserves through cut in imports, export promotion, NRI remittances and foreign loans.

(d) The steps initiated and proposed to be taken to maintain the Balance of Payments position include; macro economic stabilisation through exchange rate adjustment, restoration of fiscal discipline and tight monetary policy, together with structural reforms in trade policy and industrial policy in the short term; increase in capital flows consistent with financial prudence along with their productive use, enhancement of direct foreign investment and inflows from the non-residents Indians over the medium term.

(e) Changes in the exchange rate of rupee vis-a-vis foreign currencies including the Pound Sterling occur mainly owing to differentials in price levels between India and the trading partners, extent of real depreciation of other currencies of countries competing with India, market expectations etc.

[*Translation*]

Trade Agreements with Socialist Countries

2643. **SHRI RAM SARAN YADAV:** Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have

signed trade agreements with some socialist countries;

(b) if so, the details thereof; and

(c) the profit likely to be earned therefrom?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) Yes, Sir. The Government have signed trade agreements with Soviet Union, Czechoslovakia, Romania, Poland, Hungary, Bulgaria and Yugoslavia.

(b) and (c). The trade agreements with Soviet Union, Czechoslovakia and Romania provide for trade in non-convertible Indian rupees on a balanced basis. The trade agreements with Poland, Hungary, Bulgaria and Yugoslavia provide for trade in convertible currencies. The trade agreements facilitate the smooth flow of trade between the countries concerned.

[*English*]

Take-Over of Closed Textile Mills by NTC

2644. **SHRI RAM SHARAN YADAV:** Will the Minister of TEXTILES be pleased to state:

(a) whether the National Textile Corporation propose to take over the closed textile mills;

(b) if so, the details thereof?

(c) whether the Government have formulated any scheme to provide alternative employment to workers rendered unemployed due to closure of the mills;

(d) if so, the details thereof; and

(e) if not, the reasons thereof?