

exports of Carpet Backing Cloth (CBC) to USA are canalised through STC.

In order to ensure that the canalisation norms are not violated and the goods reach the declared destination, a circular has been issued to all shippers who got their export contracts for CBC registered with Jute Commissioner from November, 1986 to furnish a certificate duly countersigned by the Customs Authorities of the country of destination alongwith corresponding registration number and date etc. For future the shippers have been informed that such contracts will be registered by Jute Commissioner only if the same are accompanied by a written undertaking about submission of Landing certificate duly countersigned by custom authorities of country of ultimate destination within 20 days from date of arrival of goods.

**Contract with U.K. for Sea Eagle
Missiles**

2278. SHRI PRAKASH CHANDRA :

SHRI DHARAM PAL SINGH
MALIK :

SHRI M. RAGHUMA
REDDY :

Will the Minister of DEFENCE be pleased to state :

(a) whether Government have signed a contract with the U.K. for the purchase of Sea Eagle Missiles during recent past ;

(b) if so, the terms of the contract ; and

(c) the foreign exchange likely to be spent ?

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ V. PATIL) : (a) Yes, Sir.

(b) and (c). It would not be in the public interest to disclose either details of the terms and conditions of the Agreement or the likely foreign exchange outgo under the contract.

Foreign Exchange Reserves

2279. SHRI SOMNATH RATH :

SHRI YASHWANTRAO
GADAKH PATIL :

Will the Minister of FINANCE be pleased to state :

(a) whether the foreign exchange reserves has come down ;

(b) if so, the reasons therefor ; and

(c) steps being taken to boost up the foreign exchange reserves ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) and (b). The foreign exchange reserves (excluding Gold and Special Drawing Rights) declined by Rs. 755 crores in the period April to October, 1987 as compared to a decline of Rs. 880 crores in the corresponding period last year. The balance of payments data with the details of individual factors affecting the movements in foreign exchange reserves during this period are not yet available. Provisional trade data pertaining to the current year available so far indicate a narrowing down of the trade deficit as compared to the corresponding period of the previous year.

(c) The level of foreign exchange reserves is continuously kept under review with a view to ensuring that the country's commitments with regard to debt service and requirement of goods and services are met. The present level of reserves is considered to be satisfactory.

Supply of Defence Items by U.S.

2280. SHRI JAGANNATH PATT-
NAIK :

SHRI SRIBALLAV PANI-
GRAHI :

SHRI K.S. RAO :

Will the Minister of DEFENCE be pleased to state :

(a) whether Government have made a request to the US Government to supply some more modern defence items ;

(b) if so, whether U.S. Government have offered its co-operation in this regard