

the period January-September, 1973;

(b) the effect of such fall of value of rupee on various deposits, securities and pensions drawn by the retired Government employees;

(c) whether Government propose to compensate in this regard; and

(d) if so, the steps proposed and if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN): (a) to (d). The fall in the value of the rupee between January-September, 1973 was the result of an unusual spurt in price level during this period on account of the severe drought experienced in 1972-73, and this trend is likely to be reversed with production levels picking up in the economy in the current year. Government is aware that this has affected one and all, but more so the fixed income groups including pensioners. To mitigate the hardship experienced by this Group, Government has already accepted the recommendations of the Third Pay Commission to the effect that Central Government servants retiring from service should be given, irrespective of the amount of pension drawn by them, relief at the rate of 5% of their pension subject to a minimum of Rs. 5.00 p.m. and a maximum of Rs. 25.00 p.m. as and when there is a 16 points rise in the 12 monthly average of All India Working Class Consumer Price Index (1960=100), the relief for the first time at those rates being payable when the 12 monthly average of this increase reaches 216. For the present, this recommendation of the Commission has been accepted in respect of Class II, III and IV employees and will have effect from 1-1-1973. Government is also considering a proposal for grant of some relief to persons who retired prior to 1st January, 1973.

It is not possible to estimate the effect of the fall in the value of financial assets held by pensioners since no data are available about the holdings of such assets by them and even so, this is a factor which would have affected all investors in financial assets alike. Moreover, since pensioners are also found to invest in land and buildings and other physical assets from their savings, there has been considerable appreciation in the value of such assets. However, Government has no

proposal to compensate pensioners for any loss they might have sustained on their financial assets as a result of a fall in the value of the rupee.

Rise in prices of consumer goods

5803. **SHRI SAMAR GUHA:** Will the Minister of FINANCE be pleased to state:

(a) the latest trends about price-rise of consumer's goods;

(b) whether price in case of some consumer's goods have been (i) established and in other cases (ii) risen;

(c) if so, the facts thereabout;

(d) whether Government expects favourable trends about prices of consumer's goods in near future; and

(e) the steps taken by Government as latest measures, regarding controlling of price rise?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN): (a) to (c). A statement showing the monthly Wholesale price indices for Selected Commodities between August and November, 1973 is laid on the Table of the House [Placed in Library. See No. LT 6093/73].

(d) and (e). The good kharif crop and the favourable prospects for rabi this year are expected to have a moderating effect on prices. The Government has, for its part, been taking all possible steps to augment supplies of essential commodities and to curb excess demand in the economy. A better balance between aggregate demand and aggregate supply will also help in stabilising prices.

Relaxation of age limits for Tamluk Freedom Fighters Association for employment in Banking Institutions, L.I.C. and Ministry of Finance

5804. **SHRI SAMAR GUHA:** Will the Minister of FINANCE be pleased to state:

(a) whether the Tamluk Freedom Fighters' Association in letter No. 3/2/73-FF/11 dated the 12th April, 1973 from the Ministry of Home Affairs was *inter-alia* informed that "The State Government have allowed liberal concession to freedom fighters and their families in regard to relaxa-