

the vitally needed foreign exchange earnings of the tea producing countries.

**Increasing Jute Prices for Export Purposes**

478. SHRI H. K. L. BHAGAT : Will the Minister of COMMERCE be pleased to state whether Government are considering an increase in Jute prices for export purposes ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI A. C. GEORGE : Government have already increased the fixed price for carpet backing from Rs. 4550 to Rs 5000 per ton. The price of other jute goods is governed by market conditions.

**Aid prospects of International development Association**

479. SHRI BIRENDER SINGH RAO: Will the Minister of FINANCE be pleased to state :

(a) whether World Bank President has made a statement recently that International Development Association will be bankrupt on 1st July, 1974 unless House of Representatives resorted America's \$ 1.5 billion contribution representing one third of total replacement package; and

(b) if so, Government's reaction thereto?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN (a) : Yes, Sir.

(b) The World Bank President has stated that IDA would be left with no resources to commit for assistance to developing countries if the Fourth Replenishment arrangements do not become effective, and for the Fourth Replenishment to become effective, the U.S. Congress should restore America's contribution amounting to one-third of the total replenishment package.

Government of India believe that replenishment of IDA's resources is vitally needed to permit IDA contribute to the development of developing countries.

**Amount of currency notes in circulation**

480. SHRI BIRENDER SINGH RAO : Will the Minister of FINANCE be pleased to state :

(a) the total amount of currency notes at present in circulation in the country;

(b) whether the currency in circulation has risen further as compared to the currency in January, 1973; and

(c) the steps taken or proposed to be taken to bring down the currency in circulation in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH) : (a) The currency notes in circulation as on 1st February, 1974 amounted to Rs. 6.010 crores.

(b) As compared to currency circulation in January, 1973 there has been 18.2 per cent rise in currency circulation in January, 1974.

(c) The currency in circulation forms a part of the money supply with the public and several appropriate monetary measures have been adopted from time to time to regulate the expansion in money supply consistent with the requirements of the economy. The quantum of currency in circulation depends upon various factors important among which are the variations in the income of the community, and spread of banking habit. The ratio of currency in money supply has declined from 72.3 per cent in 1961-62 to 61.4 per cent in 1970-71 and further to 57.8 per cent in 1972-73, indicating improvement in the banking habit and shift in assets preference.

**Increase in Fares by Indian Airlines**

481. SHRI JAGANNATH MISHRA :  
SHRI KRISHNA CHANDRA  
HALDER :

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state :

(a) whether Indian Airlines fares have been raised; and

(b) if so, by how much, from which date and why ?