

(c) The extent of change in the internal value of a currency is indicated by the change in the price level. Prices rose in the last two years in India due to a number of factors, chief among them being the set-back in agriculture due to drought. It is not possible to isolate the effect of devaluation of the rupee on the internal prices. Devaluation, of course, lowered the external value of rupee by 36.5 per cent.

SOCIAL WELFARE PROGRAMME

3596. SHRI S. C. SAMANTA : Will the Minister of SOCIAL WELFARE be pleased to state :

(a) whether any study has been made by Government into the working of the Social Welfare Programme in the developing countries and if so, how does it compare with our programme;

(b) whether Delegations who go abroad to study social welfare programmes submit their reports to Government regarding their work and study ;

(c) if so, whether a copy of the latest report will be laid on the Table; and

(d) the amount of money being spent on the social welfare programme during the current year and the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF SOCIAL WELFARE (DR. SHRIMATI PHULRENU GUHA) :

(a) No, Sir.

(b) No Delegation has gone abroad to study Social Welfare Programmes.

(c) Does not arise.

(d) The amount of money to be spent on Social Welfare Programmes during the current year and details thereof are available in the Demands for Grants of the Department of Social Welfare for 1968-69, as voted by Parliament.

**CONSTRUCTION OF AUROVILLE CITY
NEAR PONDICHERRY**

3597. SHRI P. RAMAMURTI :
SHRI NAMBIAR :
SHRI UMANATH :
SHRI K. RAMANI :

Will the Minister of HEALTH, FAMILY PLANNING AND URBAN DEVELOPMENT be pleased to state :

(a) whether Government have given permission for the construction of Auroville City near Pondicherry;

(b) if so, the purpose of constructing the city;

(c) whether any foreign countries have given money for the construction of the city; and

(d) if so, names of such countries and amount given by each country?

THE DEPUTY MINISTER IN THE MINISTRY OF HEALTH, FAMILY PLANNING AND URBAN DEVELOPMENT (SHRI B. S. MURTHY) : (a) to (d). The information is being collected and will be laid on the Table of the Sabha.

**NEUTRALISATION OF DEARNESS
ALLOWANCE**

3598. SHRI S. M. BANERJEE : Will the Minister of FINANCE be pleased to state :

(a) whether the question of full neutralisation of dearness Allowance was at all discussed in the Joint Consultative Machinery;

(b) if not, whether this question is likely to be discussed at the national level with the representative of the Central Government employees' organisation;

(c) whether this is one of the demands of Central Government employees who are going on strike in September, 1968;

(d) if so, the reaction of Government thereto; and

(e) the steps taken to have a negotiated settlement?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) : (a) and (b). The question of full neutralisation of Dearness Allowance was raised by the Staff side of the National Council of the Joint Consultative Machinery and was included in the agenda for the meeting of the National Council held on 11th and 12th July, 1968. However, the meeting was adjourned before this item could be reached. The issue is likely to be discussed in the next meeting of the Council.

(c) Press reports indicate that this is one of the demands of the employees.

(d) and (e). As the question has not so far been discussed in the National Council of J.C.M. where it has been raised, there is no justification for the Central Government employees taking recourse to an agitational approach as reported in the Press.

MEDICINE FOR ASTHMA

3600. SHRI S. M. BANERJEE : Will the Minister of HEALTH, FAMILY PLANNING AND URBAN DEVELOPMENT be pleased to state :

(a) whether it is a fact that a professor of the Vallabhbhai Patel Chest Institute, Delhi has discovered a medicine for curing Asthma;

(b) if so, whether this medicine has been tried; and

(c) if so, the results thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF HEALTH, FAMILY PLANNING AND URBAN DEVELOPMENT (SHRI B. S. MURTHY) : (a) and (b). No new medicine has been invented for curing asthma, but certain new prospective remedies are being tried, such as Cobra Venom and Tylophora Indica.

(c) In some patients the results have been encouraging but the data is being analysed.

FOREIGN EXCHANGE POSITION

3601. SHRI S. M. BANERJEE : Will the Minister of FINANCE be pleased to state :

(a) whether the foreign exchange position has improved as compared to 1966-67;

(b) if so, to what extent; and

(c) if not, the further steps which have been taken or are being taken to improve the position?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) : (a) to (c). Compared with 1966-67, export earnings improved in 1967-68 by \$ 56 million. In the first two months of the current financial year, exports have been higher by 23% over the level in the corresponding period last year. Imports, on the other hand, were lower by about \$ 139 million in 1967-68 as

compared to 1966-67. In the first two months of the current year, they have been more or less at the same level as in the corresponding period of 1967-68. As compared with the decline in the foreign exchange reserves (net of IMF) of \$ 135 million and \$ 45 million in the April-July period in 1966 and 1967, the decline in the same period this year is \$ 8 million. The Government have taken a number of steps to promote exports and to encourage import substitution with a view to improving the foreign exchange position.

FOREIGN EXCHANGE VIOLATION CASES IN BOMBAY AND CALCUTTA

3602. SHRI S. M. BANERJEE : Will the Minister of FINANCE be pleased to state :

(a) how many cases of foreign exchange violation were brought to the notice of Government in 1967 in Bombay and Calcutta;

(b) the action taken by Government thereon;

(c) whether there were searches made in Calcutta in May or June, 1968; and

(d) if so, on what charges?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) : (a) During the year 1967, the Enforcement Directorate in Bombay and Calcutta registered 1052 cases (835 in Bombay and 217 in Calcutta) of suspected violation of the provisions of the Foreign Exchange Regulation Act, 1947.

(b) Adjudication proceedings were initiated in 454 cases, of which 296 have already been adjudicated. Complaints were filed in courts of law in four cases.

(c) and (d). Yes, Sir. Searches were made by the Enforcement Directorate in Calcutta both in May and in June, 1968. These searches were in respect of cases of under-invoicing of goods exported, failure to realise full value of exports and unauthorised buying, selling, lending and acquiring of foreign exchange.