

**GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:1694
ANSWERED ON:04.08.2010
CHINA-PAK CURRENCY DEAL
Paranjpe Shri Anand Prakash

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether the Government is aware of the fact that China and Pakistan are entering into cross border trade in Chinese currency as reported in the media;
- (b) if so, the details thereof; and
- (c) the repercussion of this development on India and the reaction of the Government thereto?

Answer

THE MINISTER OF EXTERNAL AFFAIRS (SHRI S.M. KRISHNA)

- (a) & (b) Government has seen media reports stating that China has decided to allow Pakistan to participate in cross-border trade using the Chinese Yuan as the base currency in dealing with the western Xinjiang Uyghur Autonomous Region of China.
- (c) Government keeps a constant watch on all developments having a bearing on India's national interest and takes all necessary measures to safeguard it.