

[Secretary]

1963, agreed without any amendment to the Unit Trust of India Bill, 1963, which was passed by the Lok Sabha at its sitting held on the 5th December, 1963."

RE. PAPER LAID ON THE TABLE

Shrimati Renu Chakravarty (Barackpore): May I make a submission to you? Would it be possible for Members to receive a copy of the statement laid on the Table of the House with regard to the Central Vigilance Commission?

Mr. Speaker: I shall see that Members get copies of it.

ESTIMATES COMMITTEE

FORTIETH REPORT

Shri A. C. Guha (Barasat): I beg to present the Fortieth Report of the Estimates Committee on action taken by Government on the recommendations contained in the 156th Report of the Estimates Committee (Second Lok Sabha) on the Ministry of Steel, Mines and Heavy Engineering (Department of Mines and Metals)—National Mineral Development Corporation Limited, New Delhi.

STATEMENT RE. ECONOMIC SITUATION

The Minister of Finance (Shri T. T. Krishnamachari): During the time that I have been in charge of the stewardship of the Finance Ministry, I have placed before Honourable Members a number of proposals which have been designed to promote economic growth, I believe, with social justice. But I had not the opportunity of stating in Parliament my views on the economic trends and movements in the country. Last week, the Lok Sabha had occa-

sion to discuss at considerable length the document from the Planning Commission on the Mid-term Appraisal of the Third Five-Year Plan. My purpose today is not to return to the ground that has already been traversed. I propose instead, if I may, to think aloud on economic and financial conditions in the country in recent months and to share with Honourable Members certain tentative and general ideas on the course that economic policy might take in the months ahead.

2. The economic situation, Sir, in the country as it confronts us today provides, so to say, a mixed bag. Some aspects of it are encouraging, others are less so. In regard to our foreign exchange situation, the position continues to be tight, though it may be said that we have, by prudent management, achieved a not too uncomfortable balance. Honourable Members are aware that our foreign exchange position turned difficult once again last summer and we had to renew our stand-by agreement with the International Monetary Fund for one more year. Fortunately, this decline in reserves was arrested after August and it has not been necessary for us to draw on the stand-by so far. In fact, we have repaid 25 million dollars to the International Monetary Fund. On the 6th December, 1963 the total foreign exchange resources held by the Government and the Reserve Bank of India, amounted to Rs. 282 crores as against Rs. 295 crores at the end of March, 1963 and Rs. 267 crores at the end of August last. We might in the coming months expect some further improvement. Even so, we expect that at the end of the current financial year the reserves would be of the same order as at the beginning of the year, i.e., about Rs. 300 crores or so. At this level the reserves leave only a very small margin for safety, and we shall have to continue to be as careful, as ever before, in the expenditure of our foreign exchange resources.