

side and what measures we are contemplating on the supply side.

SHRI INDRAJIT GUPTA : Sir, these currency fluctuations have affected our rupee value as he has explained because it is linked with the basket of currencies and the value fluctuations. I would like to know from the Minister whether it is the opinion of the Government of India that if formal devaluation and official devaluation of the currency is carried out, as was done once previously and as is being recommended frequently by international finance institutions that if a country devalues its currency, it will help it to increase its exports and to improve its balance of trade and allow it to pay its debts also more scrupulously. This is the prescription of the World Bank and IMF and these people not only to us, but to many developing countries. So, I want to know what is the reaction of the Government to this advice which is frequently given gratis to us and whether there is any possibility of such devaluation of the rupee being carried out.

PROF. MADHU DANDAVATE : In giving that advice no commission is also taken !

THE MINISTER OF FINANCE AND MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI) : May I assure the hon. Member and the hon. House that there is no question of any general devaluation of the rupee ? Neither the World Bank nor the IMF have suggested any general devaluation. As our distinguished Member knows, in the fluid international monetary situation as we are, as we see, today in the world any revision of rates in the rupee is an integral part of the process of adjustment and it does not signify any intrinsic weakness or otherwise in the value of the rupee and for that matter, the economy as a whole. In the regime of floating exchange rates upward and downward adjustments have to be accepted as a normal phenomenon.

SHRI DINESH SINGH : Mr. Speaker, Sir, despite what the hon. Minister has said; according to the statistics that have been published, the value of the rupee in relation to the Pound Sterling as compared to the last year has gone down by 30 per cent. This, in effect, is a devaluation. What else

is the devaluation ? Instead of announcing devaluation, when you attach a currency to a basket, it devalues automatically when the buying power or its exports go down. The hon. Minister has talked of the weakness of the international currency market. That has nothing to do with the rupee. It is the dollar that has gone down and we are going down with the dollar. What is the reason for the fall of the rupee ? That is not explained and this is the question that has been asked.

SHRI NARAYAN DATT TIWARI : Sir, I am fully aware of the knowledge and experience of the hon. Member, but I would humbly suggest that it is not a devaluation of the rupee as such, it is adjustment of rupee as a currency to different international currencies. As a matter of fact, if you say the rupee is devalued compared to many African currencies or many European currencies . . . (*Interruptions*). Dollar has been fluctuating, Pound has been fluctuating, the Yen has been appreciating with this.

SHRI DINESH SINGH : Only the dollar is fluctuating and this is the thing. (*Interruptions*). My knowledge is not any more than that of the hon. Minister. He has been a Finance Minister in the State and here. I have never had the Finance portfolio, Sir.

PROF. MADHU DANDAVATE : He was External Affairs Minister. That is why he knows about the dollars !

SHRI NARAYAN DATT TIWARI : Well, I think what the general statement that I had made, reflects the situation correctly.

PROF. MADHU DANDAVATE : Sir, if the dollar dies, the rupee has to commit sati. That is what is happening today.

Recruitment in Army from Chambal Division

*423. **SHRI KAMMODILAL JATAV :** Will the Minister of DEFENCE be pleased to state :

(a) whether Government propose to recruit youths in the Army keeping in view unemployment among educated persons at present;

(b) the number of youths proposed to be recruited from Chambal Division; and

(c) the reaction thereto ?

THE MINISTER OF DEFENCE (SHRI K.C. PANT) : (a) to (c). Recruitment of eligible youth from all parts of the country is made according to requirement from time to time and not on the basis of the unemployment situation.

[*Translation*]

SHRI KAMMODILAL JATAV : Mr. Speaker, Sir, Chambal Division is the poorest division in India. Hon'ble Speaker, Hon'ble Prime Minister and the Minister know it. Lakhs acres of land pertaining to the area has been rendered useless due to soil erosion caused by the rivers. Local youths do not have land to cultivate. Hundreds of youths hour round the M.L.As and M.Ps. round the clock. I shall be grateful if the Minister gives an assurance that the youths belonging to the division will be recruited.

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ V. PATIL) : Provision has been made for this and a new zone has been set up at Jabalpur to make recruitment and it has all along been our endeavour that fairs and big meetings are organised and wide publicity is given to for making recruitment of eligible youths. Government has been making all these efforts there also and it will continue to do so.

SHRI MOHD. AYUB KHAN : Mr. Speaker, Sir, as you know among 460 districts in our country Jhunjhunu is on the top in the matter of providing jawans to the army for the service of our motherland. Keeping this in view, whether any army recruitment fair is proposed to be organised in this district in the near future ?

SHRI SHIVRAJ V. PATIL : Sir, fairs are organised and if need be, we may consider it.

[*English*]

SHRI CHANDRA PRATAP NARAIN SINGH : Sir, the Minister has stated about employing personnel for the Armed

Forces, when the need is necessary. We are aware of it. But I would like to bring to the notice of the Minister that during the British regime, the Eastern U.P. and the North Western Bihar were ignored, because of the uprising against the British and, therefore, the British made sure that those areas did not have any recruitment facilities to the Armed Forces, Police etc. This is the reason why that area went unrepresented in the Armed Forces. In 1980, camps were organised in these areas for employment of people from those areas. Will the Minister see to it that for those areas which have ample youth fit for the Armed Forces, camps are again started so that people from those areas when necessary or when needed in the Armed Forces, get an opportunity to join the Armed Forces ?

SHRI SHIVRAJ V. PATIL : The policy of the Government is to recruit the soldiers from different States on the basis of the population of that State. There are recruitment offices at different places and we hold *melas* also. You can call them to camps also. If it is found necessary to do so, it can be considered.

**Loans Educated Unemployed Persons
by Chandni Chowk Branch of State
Bank of Indore**

*424. SHRI RAJ KUMAR RAI : Will the Minister of FINANCE be pleased to state :

(a) the number of educated unemployed persons of the low income group whom loans have been sanctioned by the Chandni Chowk branch of the State Bank of Indore in the year 1985, 1986 and 1987;

(b) the year-wise, details thereof;

(c) if loans have not been sanctioned, the reasons for not complying with this policy; and

(d) the effective steps taken by the Government in such cases ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). The Hon'ble Member is presumably referring to the Scheme for providing Self-Employment to Educated Unemployed Youth (SEEUY). This scheme, which was