

Depreciation of rupee

†2213. SHRI RAMCHANDRA PRASAD SINGH:

SHRI RAM JETHMALANI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that inspite of continuous growth of Indian economy, the value of Indian currency had reached to ` 52.73 per dollar during last few days *vis-à-vis* American dollar;

(b) if so, the details thereof;

(c) whether it is also a fact that one of the reasons *inter alia* was that Foreign Capital Investors had withdrawn 460.40 million dollars from India in just five days; and

(d) if so, the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) and (b) The value of rupee was lowest at ` 52.66 on November 22, 2011 (average of buying and selling rates of Foreign Exchange Dealers Association of India).

(c) Foreign capital investors have been withdrawing capital from emerging economies in general, to replenish capital abroad and in search of safe haven, which has affected emerging economy currencies. Indian has been no exception.

(d) Efforts has been made to augment supply of foreign exchange in India. The recent policy initiatives include *inter alia*, increase in all-in-cost ceiling for trade credits; liberalization of External Commercial Borrowing norms; requirement to bring into the country proceeds of ECBs raised abroad for Rupee expenditure; raising of FII investment limit in corporate and Government securities and raising of interest rates on Non-Resident Indian Deposits.

Check on inflation

†2214. SHRI SHIVANAND TIWARI:

SHRI RAM JETHMALANI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government has made a claim that inflation will come down to 6 to 7 per cent by March, 2012 in the country;

(b) if so, the details thereof;

(c) whether there is any basis of this claim;

†Original notice of the question was received in Hindi.