

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(c) whether it is also a fact that one of the reasons *inter alia* was that Foreign Capital Investors had withdrawn 460.40 million dollars from India in just five days; and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

(d) if so, the details thereof; and

(e) the new measures Government proposes to initiate to check inflation by March, 2012?

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

(a) to (d) With demand side pressures moderating, as a consequence of the calibrated withdrawal of the fiscal stimulus and the tightening of credit by Reserve Bank of India (RBI), along with record foodgrain production this year, overall WPI inflation is likely to decline from December onwards and the current fiscal may end with headline inflation of around 7 per cent.

(e) Measures taken to contain prices of essential commodities include; import prices reduced to zero on pulses, edible oils (crude), ban on export of edible oils (except coconut oil and forest based oil) and pulses (except kabuli chana and organic pulses upto a maximum of 10000 tonnes per year), futures trading suspended in rice, urad and tur by the Forward Market Commission, stock limit orders extended in the case of pulses, paddy and rice upto 30 September, 2011, duty under Tariff Rate Quota (TRQ) for Skimmed Milk Powder (SMP) reduced from 15% to 5% for import upto an aggregate of 10000 metric tonnes in a financial year, import of 30000 tonnes of Milk Powder and 15000 tonnes of Milk Fat at zero duty allowed to National Dairy Development Board (NDDB) during 2010-11 under TRQ, reduction in custom duty on crude oil and import duty on petrol and diesel.

As part of the monetary policy review stance, the RBI has taken suitable steps with 13 consecutive increases in policy rates and related measures to moderate demand to levels consistent with the capacity of the economy to maintain its growth without provoking price rise. As per the most recent announcement of the RBI on 25 October, 2011, the repo rate and reverse repo rate have been revised to 8.5 per cent and 7.5 per cent respectively.

Recovery of tax from Indian account holders in HSBC, Geneva

2215. SHRI D. RAJA:

SHRI MANGALA KISAN:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Income Tax authorities has collected crores of rupees from the 700 Indian account holders in HSBC, Geneva information on which was provided by French authorities in July last year;

(b) if so, the details of these account holders and the total black money stashed away by them; and

(c) the total amount recoverable from these accounts and the amount has been collected, so far?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Income Tax Department has received certain information under the