

**Exchange Value of Rupee**

2. SHRI K. P. UNNIKRISHNAN:

SHRI BHOGENDRA JHA:

SHRI RAJENDRA AGNIHOTRI:

Will the Minister of FINANCE be pleased to state:

(a) whether the rupee has been devalued and its exchange value readjusted against the foreign currencies;

(b) if so, the reasons therefor;

(c) whether the International Monetary Fund had insisted upon such a devaluation;

(d) if so, the details thereof;

(e) whether there is any difference between the official and unofficial exchange value of the rupee as against major currencies; and

(f) if so, the value of the rupee in the official and unofficial rates of exchange as on July 5, 1991?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR):

(a) The exchange rate of rupee against foreign currencies is adjusted from time to time and recently there have been steep adjustments on 1st July, 1991 and 3rd July, 1991.

(b) Exchange rate adjustments had been necessitated by the growing external and internal imbalances in the economy. The balance of payments situation had become very critical as reflected by a sharp drawdown of reserves. Since October, 1990 there has been an appreciation in the real effective exchange rates of the rupee as a result of a relatively high rate of inflation in the country vis-a-vis India's major trading partners and a much slower rate of depreciation in the normal exchange rate leading to

an erosion in the international competitiveness of the economy. It was equally necessary to stem the destabilising market expectations which were generated by perceptions about the exchange value of the rupee.

(c) No, Sir.

(d) Does not arise.

(e) The Government and Reserve Bank of India require that all transactions are operated at official rates only and hence identifying the difference between official and unofficial exchange value of the rupee does not arise.

(f) The exchange value of the rupee in respect of major currencies as on 5th July, 1991 is as follows:—

	(Rs. per unit of foreign currency)
US Dollar	25.96
Pound Sterling	41.72
Deutsche Mark	14.18
Japanese Yen	0.186

**Impact of Devaluation of Rupee on Industries Dependent on Imports**

703. SHRI V. SREENIVASA PRASAD:

SHRI M. V. CHANDRASHEKARA MURTHY:

SHRI BHAGEY GOBARDHAN:

Will the Minister of COMMERCE be pleased to state:

(a) whether the recent devaluation of rupee has hit the industries which are dependent on imports;

(b) whether only the exporters have been benefited by the devaluation; and

(c) if so, the steps proposed to be taken to rectify the situation in the interest of importers?