

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:962  
ANSWERED ON:28.07.2000  
FOREX RESERVES  
MANIBHAI RAMJIBHAI CHAUDHARY;TUFANI SAROJ

**Will the Minister of FINANCE be pleased to state:**

- (a) whether there has been a decline in the forex reserve of the country ;
- (a) if so, the details thereof and the reasons therefor;
- (b) the present position of the forex reserves;
- (c) whether the Government have taken any measures so far to make up the same;
- (d) if so, the details thereof; and
- (f) if not, the reasons therefor?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a), (b), (c), (d), (e) & (f) : The total foreign exchange reserves comprising foreign currency assets, gold and SDRs declined from US \$38,036 million at the end of March 2000 to US \$36,572 million as on July 14, 2000. The movements in foreign exchange reserves reflect the net outcome of India's international transactions on the current and capital accounts.

The current level of foreign exchange reserves is considered adequate, judged from our need for essential imports and debt service payments liability. The foreign exchange reserves is, however, constantly monitored and appropriate measures are taken, as and when necessary, to increase exports, contain growth of imports, sustain the buoyancy in invisible receipts and encourage non-debt creating capital flows, especially foreign direct investments with a view to improving the situation.