

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2678
ANSWERED ON:12.03.2010
PURCHASE OF GOLD FROM IMF
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Will the Minister of FINANCE be pleased to state:

- (a) whether appreciation in price of gold has effected the International Monetary System and Indian economy;
- (b) if so, the details thereof and reasons therefor;
- (c) whether buying of gold from International Monetary Fund (IMF) has resulted in soaring price of the metal; and
- (d) if so, the details thereof and reasons therefor?

Answer

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

(a) to (d) In recent years, gold prices have risen in the international market due to gold's "safe haven" status during the global financial turmoil / crisis. The Reserve Bank of India (RBI) purchased 200 metric tonnes of gold from the International Monetary Fund (IMF), under the IMF's limited gold sales programme, as part of the foreign exchange reserves management operations. This was an official sector off-market transaction executed over a two week period during October 19-30, 2009 at market based prices. As the purchase of gold from the IMF formed part of monetary gold held by the RBI, demand and supply conditions in the domestic gold market were not affected.