

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1983

ANSWERED ON:02.12.2011

VALUE OF RUPEE

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Will the Minister of FINANCE be pleased to state:

- (a) the value of rupee against the major foreign currencies during the last two years and current year, month-wise as on date;
- (b) whether huge fluctuations in the value of the rupee vis-à-vis the major foreign currencies were recorded during the said period;
- (c) if so, the details thereof and the reasons therefor;
- (d) whether there has been an upward movement in the value of the rupee during the last two-three months;
- (e) if so, the details thereof alongwith the factors likely to have contributed towards this upward movement; and
- (f) the measures taken in this regard?

Answer

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

(a)to(e) The value of the rupee against major international currencies viz US dollar, Pound, sterling, Euro and Japanese yen during the last two financial years (2009-10 and 2010-11) and in the current financial year (2011-12), month wise, is given below.

Year/Month	Rs.per	Rs.per	Rs.per	Rs.per
2009-10 (yearly average)	47.44	75.76	67.03	51.11
2010-11 (yearly average)	45.56	70.87	60.21	53.27
2011-12 (monthly average)				
April, 2011	44.37	72.72	64.25	53.31
May, 2011		44.90	73.41	64.48
June, 2011		44.83	72.79	64.52
July, 2011		44.42	71.65	63.46
August, 2011		45.25	74.11	64.94
September, 2011		47.63	75.12	65.47
October, 2011		49.26	77.49	67.45
November, 2011				64.11
(upto November 29, 2011)		50.79	80.20	68.88
				65.53

Per 100 Yen Average of buying and selling rates reported by Foreign Exchange Dealers Association of India (FEDAI)

On point to point basis, rupee depreciated by 15.4 per cent to Rs.51.92 per US dollar on November 29, 2011 vis-à-vis its recent peak value of Rs.43.94 per US dollar on July 27, 2011.

The Rupee has depreciated against major international currencies since July 2011. The fluctuation in rupee exchange rate has been due to changing supply-demand balance in the domestic foreign exchange market. The main reason for depreciation of rupee against major international currencies is uncertain global economic environment, particularly unfolding of euro zone sovereign debt crisis.

(f) Measures have been taken to augment the supply of foreign exchange, which inter-alia include liberalization of trade credit and external commercial borrowing (ECB) policy, increase in interest rates on Non-Resident Indian (NRI) deposits and repatriation to India of proceeds of ECB for Rupee expenditure parked abroad.