

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3817  
ANSWERED ON:16.12.2011  
TOBIN TAX  
Vundavalli Shri Aruna Kumar

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

- (a) whether Government intends to impose Tobin Tax to curb the present market volatility in the entire financial markets, especially in the currency segments;
- (b) if so, the details thereof; and
- (c) if not, the steps taken by the Government to arrest the currency volatility?

**Answer**

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

- (a) There is no proposal to impose a Tobin Tax.
- (b) Does not arise.
- (c) To augment the supply of foreign exchange in India, 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.