

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5215

ANSWERED ON:26.04.2013

FOREIGN EXCHANGE RESERVES

Choudhary Shri Bhudeo;Jakhar Shri Badri Ram ;Shekhar Shri Neeraj;Singh Shri Yashvir;Tagore Shri Manicka

Will the Minister of FINANCE be pleased to state:

- (a) the details of foreign exchange reserves including foreign currency reserve in the country during each of the last three years and the current year till date;
- (b) the reasons for fall in the reserves, if any, and its likely impact on the economy in general and settlement of import bills in particular; and
- (c) the measures proposed to be taken by the Government in this regard?

Answer

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

(a) The total foreign exchange reserves (comprising foreign currency assets, gold, special drawing rights and reserve tranche position in IMF) was US\$ 304.8 billion at end-March 2011, US\$ 294.4 billion at end-March 2012 and US\$ 292.0 billion at end-March 2013. In the current fiscal, reserves stood at US\$ 295.2 billion as on April 12, 2013.

(b) & (c) The level of foreign exchange reserves is largely the outcome of the RBI's intervention in the foreign exchange market to smoothen exchange rate volatility, valuation changes due to movement of the US dollar against other major international currencies and inflow of aid receipts.

The rising import bill is usually financed adequately by the export earnings, invisible receipts and capital flows.