

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1341  
ANSWERED ON:03.03.2000  
PURCHASE OF DOLLARS BY RBI  
NAWAL KISHORE RAI;SUKDEO PASWAN

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

- (a) whether the Reserve Bank of India purchases dollars from time to time from the open market; and
- (b) if so, the quantum of American dollars purchased and the price paid thereon by RBI in the first nine months of the current financial year, month-wise?

**Answer**

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

(a) The Reserve Bank of India (RBI) makes purchases and sales of foreign currency (US dollars) in the market from time to time as apart of foreign exchange rate policy to even out lumpy demand and supply in the relatively thin foreign exchange market.

(b) The quantum of US dollars purchased by the RBI during the first nine months of the current financial year (April to December, 1999) amounted to US \$ 17230 million while the amount sold by the RBI during the same period stood at US \$ 16542 million. The month-wise purchases and sales of US dollar from April to December, 1999 are given in the table below:

Month	Foreign Currency (US \$ Million)	
	Purchase	Sale
April 1999	2437.00	2399.00
May 1999	2542.50	1568.00
June 1999	2348.00	2504.75
July 1999	1796.00	2159.00
August 1999	1770.00	2011.70
September 1999	1345.00	1870.55
October 1999	1338.50	1348.49
November 1999	1748.80	1128.00
December 1999	1904.25	1553.00