

**MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO.4114**

TO BE ANSWERED ON FRIDAY, DECEMBER 09, 2016/AGRAHAYANA 18, 1938 (SAKA)

“CAPITAL ACCOUNT CONVERTIBILITY”

QUESTION

4114: DR. GOKARAJU GANGA RAJU

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to allow full Capital Account Convertibility in order to deepen capital markets;
- (b) if so, the details thereof; and if not, the reasons therefor; and
- (c) the extent to which the said move is likely to benefit Indian economy?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)**

(a) to (c): The Government has been following a gradual and cautious approach in opening up the capital account. It is being progressively liberalized in accordance with the evolving macro-economic conditions and the requirements of Indian industries, individuals and financial sectors. However, there is no target date for achieving full capital account convertibility. The progress on capital account convertibility will depend on how the domestic macro-economic conditions as well as global financial situation evolve.
