

**Foreign Exchange Reserves**

2821. SHRI K. S. RAO : Will the Minister of FINANCE be pleased to state :

(a) the foreign exchange reserve as on 31 October, 1985;

(b) the total foreign exchange remitted by non-resident Indians during the last three years; and

(c) the incentives Government have given

to the non-resident Indians to remit their earnings to India in foreign exchange ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The foreign exchange resources (excluding Gold and Special Drawing Rights) stood at Rs. 6822.10 crores as on 31st October 1985.

(b) Investments made by NRIs during the last three years under different schemes are as follows :

(Rs. in crores)

	31-12-1983	31-12-1984	30-9-85
— (i) Direct Investment (Proposals approved)	119.46	224.88	419.33
— (ii) Portfolio Investment (Actual purchase of shares/Debentures)	39.37	46.63	51.94
—(iii) Bank Deposits (outstanding balances in NRE/FCNR A/cs)	2552.83	3502.87	4547.23 (P)

(P) Provisonal Balances are cumulative.

(c) The various incentives given to the NRIs are as follows :

—Income tax at flat rate of 20% on certain 'specified assets'

—Long term capital gains tax at 20% on 'specified assets.

—Relatively higher rates of interest on Bank Deposits in NRE/FCNR A/cs and national savings certificates than available to residents on balances of same maturity.

—Wealth tax exemption. It continues for subsequent seven years in case of self-liquidating assets and on assets and foreign exchange brought to India at the time of return for permanent settlement.

—Gift tax exemption if gifts are made to relatives in India.

—Under the Returning Indians Foreign Exchange Entitlement Scheme (RIFEE) Indians returning from abroad can

obtain 25% of the Foreign exchange repatriated by them while abroad for use during a period of subsequent 10 years for visits to foreign countries, for personal purposes and medical treatment education abroad of dependent children and wards, gifts to close relatives residing abroad and import of special appliances for professional uses.

—Non-resident Indians can take back all the foreign currency assets repatriated to India on transfer of residence, in case they wish to leave India for setting down in any other country within five years of their coming to India.

All the tax concessions mentioned above are available to individual NRI investors.

**Loan Disbursed to Farmers by Commercial Banks in Orissa**

2822. SHRI SRIBALLAV PANIGRAHI : Will the Minister of FINANCE be pleased to state :