

Diminishing invisible remittances from Indian Abroad

4351. SHRI RATANSINH RAJDA : Will the Minister of FINANCE be pleased to state :

(a) the reasons for diminishing invisible remittances from Indians abroad;

(b) is it due to the fact that Indians travelling from India without any or sufficient foreign exchange buy foreign currencies through illegal channels resulting in rupee being quoted cheaply; and

(c) whether some restrictions are proposed to be placed on frequent trips abroad to check illegal sale of foreign currencies ?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) :

(a) India's detailed balance of payment data which provides details of country's transactions with the rest of the world including private transfer receipts (generally known as inward remittances) are available only upto 1979-80. Private transfer receipts into the country during the four years from 1976-77 to 1979-80 are as below :—

Year	Amount (Rs. Crores)
1976-77	623.7
1977-78	917.3
1978-79	943.8
1979-80	1472.1

Private transfer receipts include personal remittances sent by Indian nationals resident abroad as well as by foreign nationals. Data of inward remittances sent by only non-resident Indians is not separately available with the Reserve Bank of India.

Similarly data for subsequent years has not yet been compiled by R.B.I. However, the quick and provisional estimates of non-export receipts are as below :—

Year Amount (Rs. Crores)

1981-82 4568.57

1982-83 1114.52—This is as against (April-June 1982) the figure of Rs. 1067.36 crores in the corresponding period of 1981-82.

The above figures of quick and provisional estimates of non-export receipts represent gross non-export receipts such as shipping, insurance, dividend and tourism receipts besides the four heads of receipts relevant to the term 'Inward Remittances', namely, (i) family maintenance, (ii) savings of non-residents, (iii) migrant transfers and (iv) money order receipts. It is not possible to separate receipts on account of inward remittances from the totals. However, there is no evidence of a fall in gross receipts.

(b) In view of the above, the question does not arise. In any case there are adequate legal safeguards available under the Foreign Exchange Regulation Act, 1973 to deal with cases of misuse of foreign exchange released to intending travellers.

(c) Policy on foreign travel is framed keeping in view the necessity to go abroad and the need to spend foreign exchange judiciously. Accordingly R.B.I. have issued detailed administrative instructions to its Regional Offices to deal with applications for release of foreign exchange for travel abroad strictly according to guide-lines laid down and to discourage repeat visits as far as possible.