

abroad by Indians. The information received is confidential under the confidentiality provision of the Double Taxation Avoidance Agreement/Tax Information Exchange Agreement, under which the information is received.

Whenever such information is received, necessary action under the Direct Tax Laws is taken to examine the assets/transactions. Any undisclosed income/assets detected during these enquires are brought to tax in accordance with the provisions of Direct Tax Laws. Penalty and prosecution proceedings are also initiated in appropriate cases.

Remittances by Indians abroad

1288. SHRI DEVENDER GOUD T.: Will the Minister of FINANCE be pleased to state:

- (a) the remittances by Indians abroad during the last three years, year-wise and country-wise;
- (b) to what extent the country is hit by the slowdown in Europe and the US with regard to remittances by Indians abroad;
- (c) whether it is also a fact that stock market and export dependent sectors have also been affected due to slowdown in Europe and US; and
- (d) if so, how the Ministry is planning to overcome the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) The information on private transfers comprising mainly remittances from Indians working abroad during the last three years is given below:

Year	Remittances by Indians abroad (US\$ million)
2011-12	66129
2010-11	55618
2009-10	53636

Source: Reserve Bank of India (RBI).

The source-wise information about the private transfers is gathered through a periodic sample survey conducted by RBI. As per the latest survey results, North America accounted for 38 per cent of total remittances during first half of 2009-10 followed by the Gulf Countries (27 per cent) and Europe (18 per cent).

(b) The slowdown in economic activity in euro area might have some downward impact on remittances from this area. However, going by experience of 2008-09, the remittance receipts may not be affected significantly. At the aggregate level, the total remittances from abroad during 2011-12 have recorded a growth of 18.9 per cent as compared with the growth of 3.7 per cent during the preceding year. The surge in remittances during 2011-12 may, *inter-alia*, be attributed to depreciation of rupee.

(c) The global slowdown due to unfolding of euro zone sovereign debt crisis has, *inter-alia*, impacted the Indian economy through deceleration in exports, widening of trade and current account deficits, decline in capital flows, fall in the value of Indian rupee, stock market decline and lower economic growth.

(d) The Government of India and the Reserve Bank of India have taken a number of steps to facilitate capital inflows and boost exports in order to augment supply of foreign exchange. Recent measures, *inter-alia*, include hike in FII investment in debt securities (both corporate and Government securities); enhancing all-in-cost ceiling for external commercial borrowings (ECBs) between 3-5 year maturity; higher interest rate ceiling for foreign currency Non-resident deposits; and deregulation of interest rates on rupee denominated NRI deposits. The manufacturing and infrastructure sector companies can now avail of external commercial borrowing up to a ceiling of US\$ 10 billion for repayment of outstanding rupee loans towards capital expenditure. Besides, under the Annual Supplement 2012-13 to Foreign Trade Policy 2009-14, the Government has announced initiatives to boost exports to about US\$ 360 billion in 2012-13.

RBI policy to control economy

†1289. SHRI ANIL DESAI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the policy of RBI to control the economy of the country has been failed;

(b) whether it is also a fact that inflation is increasing very fast due to this;

(c) if so, the steps being taken by Government to tackle this situation; and

(d) whether lowest growth rate in nine years is not a signal for concern?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) Monetary Policy stance of Reserve Bank of India is

†Original notice of the question was received in Hindi.