

**MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA  
UNSTARRED QUESTION NO.3987**

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

**“Problems in Remittances”**

**QUESTION**

**3987: SHRI PRATAPRAO JADHAV**

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

- (a) whether the Government realised the difficulties being faced by the people of Indian origin while sending money to India;
- (b) if so, the details thereof; and
- (c) the measures taken/proposed to be taken by the Government to mitigate such bottlenecks?

**ANSWER**

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

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(a) to (C) The channels available for making remittances into India are the Wire transfer/SWIFT message to transfer money to the Beneficiary's Bank account through Banking Channel and through the Rupee Drawing Arrangement (RDA) and the Money Transfer Service Scheme (MTSS) under the non-banking channel. Reserve Bank of India has been constantly obtaining feedback from the various stakeholders regarding the various aspects of RDA and MTSS. Based on the feedback, several measures have been taken in respect of the above two schemes, which inter-alia, aim towards making the schemes more user friendly. Some of the major changes undertaken, in the recent past are:

- i. Removal of the exclusivity clause under MTSS, as it was impeding the ability of other Money Transfer Operators to expand their agent network in India.
- ii. Increasing the number of remittances from 12 to 30 in a year under MTSS.
- iii. Expanding the scope of the RDA to include all FATF countries (as against the earlier permitted jurisdiction of GCC, Singapore & Malaysia).
- iv. Crediting into the KYC compliant bank accounts of any bank under the RDA (as against the earlier stipulation of Partner bank).
- v. Facilitating the RDA channel for payment of various utility bills.
- vi. Relaxation of collateral requirements for RDA arrangements under speed Remittance procedure.

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