

**MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO.4108**

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

“LIBERALIZED REMITTANCE SCHEME”

QUESTION

4108: SHRI P.R. SUNDARAM

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has increased the slab under the Liberalized Remittance Scheme (LRS) from \$75,000 to \$2,50,000 in a financial year for a permissible set of current or capital account transactions;
- (b) if so, the details thereof and the reasons therefor;
- (c) the total amount transacted to various countries in the last three years and current year, country-wise; and
- (d) whether the Government has adequate forex reserves to combat the new LRS regime and if so, the details thereof?

ANSWER

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

(a) to (b): The slab under the Liberalised Remittance Scheme (LRS) has been revised from \$75,000 to \$2,50,000 in stages, from August 2013 to June 2015, for permissible set of current and capital account transactions. The LRS was introduced on February 4, 2004 as a step towards liberalization of the foreign exchange facilities to resident individuals. Over the years, this limit has been revised in stages keeping in view the various macro & micro economic conditions of the economy.

(c): Total amount transacted under LRS during the last three years and the current year is as follows:

Amount in USD million

2013-14	2014-15	2015-16	2016-17(till Oct'16)
1,093.9	1,325.8	4,642.6	4760.68

RBI does not maintain country wise data for remittances under LRS

(d): The current level of foreign exchange reserves (USD 367,157 million as reported in RBI Bulletin dated November 10, 2016) is considered adequate to support LRS regime.
