GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 5154
DUE FOR ANSWERED ON APRIL 03, 2023

REMITTANCES FROM INDIAN LABOURERS

5154. Shri Janardan Singh Sigriwal:

Will the Minister of FINANCE be pleased to state:

(a) the annual remittances sent by the migrant Indian labourers throughout the world during each of the last three years, country-wise;

(b) the place of the country in global ranking in getting remittances;

(c) whether such amount of remittances helps in reducing the fiscal deficit of the country and if so, the details thereof and the reaction of the Government thereto; and

(d) the details of benefits being provided by the Government to the families receiving remittances in the country?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) The data for the past three years on inward foreign remittances into India is as below.

(Figures in US$ billion)

Year	Total Inward Remittances	Of which: Worker's remittances
2019-20	83.195	61.3
2020-21	80.185	54.4
2021-22	89.127	57.7

Source: RBI.

Country-wise data on remittances are not compiled. However, the share of major countries in India's total inward remittances based on a survey conducted by the Reserve Bank of India (RBI) for 2020-21 through authorised dealer (AD) banks is provided below.

Country-wise Share in Total Inward Remittances, 2020-21	
Source Country	**Share in Total Remittances** (Per cent)
United States	23.4
United Arab Emirates	18.0
United Kingdom	6.8
Singapore	5.7
Saudi Arabia	5.1
Kuwait	2.4
Oman	1.6
Qatar	1.5
Hong Kong	1.1
Australia	0.7
Malaysia	0.7
Canada	0.6
Germany	0.6
Italy	0.1
Philippines	0.0
Nepal	0.0
Others	31.6

Source: "Headwinds of COVID-19 and India's Inward Remittances", RBI Bulletin (July 2022).

(b) As per World Bank's *Migration and Development Brief 37* released in November 2022, India was the largest recipient of global migrant remittance inflows in 2021.

(c) The fiscal deficit depends upon the expenditure incurred by the Government and revenues raised by it from various sources. Foreign remittances may indirectly impact fiscal deficit through likely increase in spending in the economy using these remittances.

(d) Clause (x) of sub-section (2) of section 56 of the Income-tax Act, 1961 (IT Act), *inter-alia*, provides that any sum of money exceeding Rs 50,000/- received by a person without consideration is chargeable to tax. However, any sum received by a "relative" (as defined in the IT Act for the purpose), including through foreign remittances, is not chargeable to tax under the provisions of the IT Act.

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