

**Facilities to NRIs/PIOs and Residents**  
**A.P.(DIR Series) Circular No.1 (July 2, 2002)**

RESERVE BANK OF INDIA  
EXCHANGE CONTROL DEPARTMENT  
CENTRAL OFFICE  
MUMBAI - 400 001

A.P.(DIR Series) Circular No.1

July 2, 2002

[ last circular for the year 2001-02 is  
A.P.(DIR Series) Circular No.54]

To

**All Authorised Dealers in Foreign Exchange**

Madam/Sirs,

**Facilities to NRIs/PIOs and Residents**

As Authorised Dealers are aware, in terms of Paragraph 4 of Schedule 3 to the Notification No.FEMA 5/2000-RB dated May 3, 2000, balances in NRO accounts are not eligible for remittance outside India, without the approval of Reserve Bank.

2. With a view to further liberalising the Exchange Control Regulations and providing additional facilities to Non-Resident Indians/Persons of Indian Origin (NRIs/PIOs), it has since been decided that henceforth Authorised Dealers may allow the facility of repatriation of funds out of balances held by NRIs/PIOs in their Non-resident Ordinary Rupee (NRO) Accounts, for the following purposes :

- (i) Upto US\$ 30,000 per academic year, to meet expenses in connection with education of their children;
- (ii) Upto US\$ 1,00,000 to meet the medical expenses abroad of the account holder or his family members; and
- (iii) Upto US\$ 1,00,000 per year, representing sale proceeds of immovable property, held by them for a period of not less than 10 years subject to payment of applicable taxes.

3. Authorised Dealers may bring the contents of the circular to the notice of their constituents concerned.

4. The directions contained in this circular have been issued under Section 10(4) and Section 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999).

Yours faithfully,

**Satish Kakar**  
Chief General Manager