

Facilities to NRIs/PIOs and Foreign Nationals – Liberalisation
A.P. (DIR Series) Circular No.67 (January 13, 2003)

Reserve Bank of India
Exchange Control Department
Central Office
Mumbai- 400 001

January 13, 2003

A.P. (DIR Series) Circular No.67
To
All Authorised Dealers in Foreign Exchange

Madam/Sir,

Facilities to NRIs/PIOs and Foreign Nationals - Liberalisation

A. Facilities to NRIs/PIOs

Attention of authorised dealers is invited to the following AP (DIR Series) Circulars on the subject :

(i) AP(DIR Series) Circular No.1 dated July 2, 2002.

(ii) AP(DIR Series) Circular No.19 dated September 12, 2002.

2. At present, authorised dealers are allowed to repatriate funds held by NRIs/PIOs in their NRO Accounts, for the following purposes :

(i) Education upto USD 30,000 per academic year.

(ii) Medical Expenses upto USD 100,000

(iii) Sale Proceeds of immovable property, held for a period of 10 years, upto USD 100,000 per calendar year.

B. Remittance of proceeds of assets by foreign nationals and assets acquired by NRIs/PIOs by way of inheritance/legacy

3. Authorised dealers are presently permitted to allow remittance of assets of foreign nationals, including retired employees/widows of Indian citizens resident outside India and assets in India acquired by NRIs/PIOs by way of inheritance/legacy upto USD 100,000.

4. It has now been decided to remove the present dispensation of permitting different amounts for different purposes and also to enhance the overall limit to USD 1 million per calendar year. Accordingly, it will be in order for authorised dealers to allow remittance/s upto USD 1 million, out of balances held in NRO accounts/sale proceeds of assets, on production of an undertaking and certificate by a person making the remittance, as stipulated in A.P. (DIR Series) Circular No.27 dated September 28, 2002 read with A.P. (DIR Series) Circular No.56 dated November 26, 2002.

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5. The existing prohibition regarding repatriation of assets to a citizen of Pakistan, Bangladesh, Sri Lanka, China, Afghanistan, Iran, Nepal and Bhutan shall continue.
6. The above relaxations, subject to review, shall be effective for a period upto June 30, 2003.
7. Necessary amendments to the Foreign Exchange Management Regulations, 2000 are being issued separately.
8. Authorised dealers may bring the contents of the circular to the notice of their constituents concerned.
9. 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,
G. Padmanabhan
General Manager-in-Charge