

NRI SERVICES

FACILITIES FOR RESIDENTS

1) Remittance by residents is allowed on the basis of self-declaration incorporating the basic details of the transaction for the following current account transaction up to amount mentioned against each:-

PRIVATE VISIT ABROAD PER CALENDAR YEAR	US DOLLAR 10000
EMPLOYMENT ABROAD	US DOLLAR 100000
EMIGRATION	US DOLLAR 100000
MANTAINENCE OF CLOSE RELATIVES ABROAD	US DOLLAR 100000
EDUCATION ABROAD PER ACADEMIC YEAR	US DOLLAR 100000
MEDICAL TREATMENT ABROAD	US DOLLAR 100000
BUSINESS TRAVEL	US DOLLAR 25000
GIFTS / DONATIONS*	US DOLLAR 100000

Note:

Residents can indefinitely retain foreign exchange upto USD 2000 in the form of foreign currency notes or TCs and use it later. Amount of unspent foreign currency over and above USD 2000 has to be surrendered to bank within 90 days and TCs within 180 days of date of return.

2) Under Liberalised Remittance Scheme of RBI, remittance by individual up to US Dollar 100,000 per financial year is freely allowed for any permissible current or capital account transaction or a combination of both. Resident individuals are free to acquire and hold immovable property or shares or any other asset outside India without prior RBI approval. Individuals can also open, maintain and hold foreign currency account with a bank outside India for making remittance without prior approval of RBI.

***(a) Remittance towards gift and donation by resident individual is allowed within the overall limit of US DOLLAR 100,000 under Liberalised Remittance Scheme**

(b) Investment by resident individual in overseas company would be subsumed under the limit of US DOLLARS 100,000. The earlier requirement of 10% reciprocal share holding in the listed Indian companies by such overseas companies has been dispensed with.

3) Remittance of net salary by Indian nationals on deputation to India from overseas company is allowed for the maintenance of close relatives residing abroad.

4) Resident individuals who are either employees or a director of an Indian office or a branch of a foreign company in which the foreign holding is not less than

51%, is permitted to acquire foreign securities under ESOP scheme without any monetary limit. Shares so acquired can be sold without RBI permission provided the proceeds thereof are repatriated to India.

5) A person resident in India may open, hold & maintain a foreign currency account, to be known as RFC (domestic) account, out of foreign exchange acquired in the form of currency notes, bank notes and travellers' cheques.

- a) While on a visit to any place outside India by way of payment for services not arising from any business or anything done in India or
- b) From any person not resident in India and who is on visit to India, as honorarium or gift or for services rendered or in settlement of any lawful obligations or
- c) By way of honorarium or gift while on a visit to any place outside India or
- d) Represents the unspent amount of foreign exchange acquired by him from an authorized person for travel abroad.

There is no ceiling on how much foreign exchange you can keep in these accounts. The balance in these accounts can be used for any purpose for which foreign exchange can be bought from a bank in India. However RFC (D) Accounts are NOT interest bearing.

Balances in the RFC (D) accounts may be credited to your NRE account consequent upon change of your residential status from resident to non-resident

6) Residents may extend hospitality to non-residents and book their air tickets against prior inward remittance.

Residents may book tickets in India for their visit to any third country sector. That is, Residents can buy their tickets for travel to London/New York through domestic/foreign airlines in India itself.

7) A resident close relative of an NRI can repay the housing loan in rupees availed of by the NRI from AD/housing Finance Institution in India.

8) Resident share holders of Indian companies, who offer their shares for conversion to ADRs/GDRs under the scheme of sponsored ADRs/GDRs, can receive the sale proceeds in foreign exchange. The proceed can be credited to their RFC (D) Account.

9) Remittance for royalty & payment of lump sum/ fee is allowed provided royalty does not exceed 5% on local sales & 8% on exports & lump sum/fee payment does not exceed US Dollar 2 Mio.

10) Tour operators are allowed to remit the cost of rail/road/water transportation charges outside India without any prior approval from RBI net of commission/mark up due to the agent.

Foreign currency account may be opened in the name of agents in India who have tie up arrangements with hotels/agents etc abroad for providing hotel accommodation or for making other tour arrangement for travelers from India subject to certain conditions.

11) Remittance for advertisement on foreign television channels is allowed to advertisers.

12) Remittance by way of commission to agents abroad for sale of residential flats/commercial plots in India is allowed up to US Dollar 25000 or 5% of the inward remittance, per transaction whichever is higher.

13) Remittance towards consultancy services procured from outside India up to US Dollar 1 Mio per project is freely allowed.

14) A.D. banks may allow the remittance towards hiring of transponders by TV channels & internet services after the permission of the ministries concerned.