

RBI Press Release

Facilities to NRIs /PIOs and Residents (July 2, 2002)

With a view to liberalising the exchange control regulations and providing additional facilities to non-resident Indians/Persons of Indian Origin (NRIs/PIOs), the Reserve Bank of India has decided to allow the facility of repatriation of funds out of balances held by them 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\$ 100,000 to meet the medical expenses abroad of the account holder or his family members, and
- (iii) Upto US\$ 100,000 per year representing sale proceeds of immovable property held by them for a period of not less than 10 years.

Applications for such remittances may be made to the authorised dealers in foreign exchange.

Further in order to facilitate setting up base abroad, the Reserve Bank of India has decided to enhance this limit to US\$ 25,000 to residents, who have obtained emigration visa. At present, residents proceeding abroad on emigration are released exchange by authorised dealers to the extent of US\$ 5,000 or amount prescribed by the country of emigration.

A notification for carrying out suitable amendments in the regulations is being issued and on its publication in the Official Gazette, it would be possible for NRIs/PIOs to effect such remittances without the prior approval of the Reserve Bank. Until further notice, applications for such remittances may be made to the Regional Offices of the Exchange Control Department of the Reserve Bank.