

**Full convertibility of Deposit Schemes – NRNR/NRSR Accounts- Clarifications  
A.P. (DIR Series) Circular No.60 (Dec 10, 2002)**

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

A.P. (DIR Series) Circular No.60

December 10, 2002

To  
All Authorised Dealers in Foreign Exchange

Madam/Sirs,

**Full convertibility of Deposit Schemes –  
NRNR/NRSR Accounts- Clarifications**

Attention of authorised dealers is invited to A.P.(DIR Series) Circular No.28 dated March 4, 2002 and clarifications issued from time to time on the subject.

2. Our clarifications to the queries from authorised dealers on some of the operational aspects of the deposit schemes, are as under :

(i) Renewal of overdue NRNR deposits

As the authorised dealers cannot accept fresh deposits by way of renewal or otherwise under NRNR Scheme with effect from April 1, 2002, overdue NRNR deposits should not be renewed. If the matured and overdue NRNR deposit receipts are presented for renewal after April 1, 2002 the same may be credited to the NRE accounts of the deposit holders on the date of presentation.

(ii) Credit of matured NRNR deposits to NRE Account and thereafter to FCNR(B) Account

The maturity proceeds of NRNR deposits credited to NRE Account can subsequently be transferred to FCNR(B) account in terms of paragraph 4(c) of Schedule 1 to RBI Notification No.FEMA.5/2000-RB dated May 3, 2000.

(iii) Repatriation of maturity proceeds of NRNR Accounts

If the NRNR deposit holder does not hold NRE account, he may be allowed to repatriate the maturity proceeds of the NRNR Deposit outside India.

(iv) Credit of matured NRNR deposits to RFC Account

NRNR deposits maturing on or after April 1, 2002 held by such NRNR deposit holders, who have since become residents, may be credited to their RFC accounts.

3. Authorised Dealers may bring the contents of this 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 FEMA, 1999 (42 of 1999).

Yours faithfully,

**Grace Koshie**  
**Chief General Manager**