

**RESERVE BANK OF INDIA
FOREIGN EXCHANGE DEPARTMENT
CENTRAL OFFICE
MUMBAI 400 001**

Notification No. FEMA. 110/2004-RB

dated February 5,2004

**Foreign Exchange Management (Permissible Capital
Account Transactions) (Amendment) Regulations, 2004**

In exercise of the powers conferred by sub-section (2) of Section 6, Sub-Section (2) of Section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999) and in partial modification of its Notification No.FEMA.1/2000-RB dated May 3, 2000, the Reserve Bank of India makes, in consultation with Central Government, the following Regulations to amend the Foreign Exchange Management (Permissible Capital Account Transactions) Regulations, 2000, namely :

1. Short title and commencement :-

- (i) These Regulations may be called the Foreign Exchange Management (Permissible Capital Account Transactions) (Amendment) Regulations, 2004.
- (ii) They shall come into force from the date of their publication in the Official Gazette.

2. Amendment to the Regulations

In the Foreign Exchange Management (Permissible Capital Account Transactions) Regulations, 2000 (hereinafter referred to as "the said Regulations") after Regulation 4 (a), the following proviso shall be inserted ; namely :-

"Provided that –

- (a) subject to the provisions of the Act or the rules or regulations or directions or orders made or issued thereunder, a resident individual may draw from an authorized person foreign exchange not exceeding USD 25000 per calendar year for a capital account transaction specified in Schedule I ;
- (b) where the drawal of foreign exchange by a resident individual for any capital account transaction specified in Schedule I exceeds USD 25,000 per calendar year, the limit specified in the regulations relevant to the transaction shall apply with respect to the drawal.

Provided further that no part of the foreign exchange of USD 25,000 drawn under clause (a) of the first proviso shall be used for remittance directly or indirectly to countries notified as non-co-operative countries and territories by Financial Action Task Force (FATF) from time to time and communicated by the Reserve Bank of India to all concerned."

**(Shyamala Gopinath)
Executive Director**

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