

September 26, 2007

To,

All Category - I Authorised Dealer Banks

Madam / Sir,

**Liberalised Remittance Scheme for Resident Individuals- Enhancement of
limit from USD 100,000 to USD 200,000**

Attention of Authorised Dealer Category - I (AD Category - I) banks is invited to A. P. (DIR Series) Circular No. 51 dated May 8, 2007 on the Liberalised Remittance Scheme for Resident Individuals (the Scheme).

2. With a view to further liberalize the Scheme it has been decided, in consultation with the Government of India, to enhance the existing limit of USD 100,000 per financial year to USD 200,000 per financial year (April - March) with immediate effect. Accordingly, AD Category – I banks may now allow remittance up to USD 200,000, per financial year, under the Scheme, for any permitted current or capital account transaction or a combination of both.

3. All other terms and conditions mentioned in A. P. (DIR Series) Circular No. 64 dated February 4, 2004, A. P. (DIR Series) Circular No. 24 dated December 20, 2006 and A. P. (DIR Series) Circular No. 51 dated May 8, 2007 shall remain unchanged.

4. Necessary amendments to Foreign Exchange Management (Permissible Capital Account Transactions) Regulations, 2000 (Notification No. FEMA 1/2000-RB dated 3rd May 2000) are being notified separately.

: 2 :

5. AD - Category I banks may bring the contents of this circular to the notice of their constituents and customers concerned.

6. The directions contained in this Circular have been issued under Section 10 (4) and 11 (1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and is without prejudice to permissions / approvals, if any, required under any other law.

Yours faithfully,

Salim Gangadharan
Chief General Manager