

PRESS RELEASE



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**RESERVE BANK
OF INDIA**

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**Liberalised Remittance Scheme of USD 25,000
for Resident Individuals**

As a part of the measures for further liberalization, residents would be permitted to remit an amount up to USD 25,000 per calendar year for any purpose without any distinction between the transaction being on the current account or capital account, for which a Scheme has been formulated by the Reserve Bank.

All resident individuals are eligible to avail of the facility under the scheme. This facility is available for making remittance up to USD 25,000 per calendar year for any current or capital account transaction or a combination of both. Under this facility, resident individuals will be free to acquire and hold immovable property or shares or any other asset outside India without prior approval of the Reserve Bank. Individuals will also be able to open, maintain and hold foreign currency accounts with a bank outside India for making remittances under the scheme without prior approval of Reserve Bank. The foreign currency account may be used for putting through all transactions connected with or arising from remittances eligible under this Scheme.

The facility under the Scheme is in addition to those already available for private travel, business travel, gift remittances, donations, studies, medical treatment etc. However remittance under this facility cannot be used for remittances for any current account transaction specifically prohibited or restricted under FEMA such as purchase of lottery/sweep stakes, proscribed magazines etc. Remittances cannot be made directly or indirectly under this scheme to Bhutan, Nepal, Mauritius or Pakistan as well as to countries identified by the Financial Action Task Force (FATF) as "non co-operative countries and territories, or to those high risk individuals and entities advised separately by the Reserve Bank to the banks.

Applicants should furnish their PAN Number and confirm to the Authorised Dealer (AD) bank, that the funds being remitted belong to them. ADs are expected to carry out due diligence including Know Your Customer (KYC) norms and comply with Anti Money Laundering rules while allowing this facility.

The Scheme will come into operation with immediate effect.

Ajit Prasad
Manager

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