



FOREIGN EXCHANGE

N. A. SHAH
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N. A. SHAH ASSOCIATES LLP
Chartered Accountants



Remittances to IFSCs in India under LRS

In order to provide an opportunity to resident individuals (RIs) to diversify their portfolios, RBI has now permitted RIs to make remittances under Liberalised Remittance Scheme (LRS) to International Financial Services Centre's (IFSCs) in India subject to certain conditions as follows:

- a. Remittance shall be made only to acquire securities issued by entities/companies located in IFSC
- b. Opening of non-interest bearing foreign currency account (FCA) in IFSCs for making permissible investment under LRS. Any funds lying idle for a period exceeding 15 days of receipt, shall be repatriated to domestic INR account of RI.
- c. No domestic transactions with other residents shall be settled through funds held in these FCAs.

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