

Now a Resident Indian can open and maintain a foreign currency account to retain the foreign exchange acquired through various means as given below. Account can be maintained in USD, GBP and EURO currency.

## Features

- It is a Non-Interest bearing Current Account.
- No cheque book or ATM card.
- The Minimum Balance required to be maintained is USD 500, GBP 250 and EURO 500.
- The balance in the account is freely repatriable .

## Eligibility

- A person singly or jointly along with a person resident in India can open RFC (D) account

## Most Important Terms & Conditions (MITC)

- Conversion of account balance:- As per RBI guidelines, the sum total of all the credits received in RFC (Domestic) account during a calendar month, less amount utilised, should be converted into Indian Rupees (crystallise) on or before the last working day of the succeeding calendar month after making adjustments for forward commitments.

### *Permissible Credits*

If you receive Foreign Currency as :

- Payment while on a visit abroad for services not arising out from any business or anything done in India.
- Honorarium or gift or payment for services rendered/ settlement of any lawful obligation from any person not resident in India and who is on a visit to India.
- Honorarium or gift while on a visit to any place outside India.
- Gift from a relative (subject to FEMA guidelines).
- Foreign exchange acquired from an authorized person for travel abroad, if unspent.
- Amount received by the resident account holder as disinvestment proceeds on conversion of shares held by him to ADRs/ GDRs under the DR Scheme, 2014
- Proceeds of life insurance policy claims/ maturity/ surrender values settled in foreign currency from an insurance company in India permitted to undertake life insurance business by the Insurance Regulatory and Development Authority.

### *Permissible Withdrawals*

Withdrawals can be made for payment towards :

Any of the following current account transaction

- Private visits to any country (except Nepal and Bhutan)
- Gift or donation
- Going abroad for employment.

- Emigration
- Maintenance of close relatives abroad.
- Expenses in connection with medical treatment abroad
- Studies abroad
- Any other current account transaction
- Travel for business, or attending a conference or specialised training or for meeting expenses for meeting medical expenses, or check-up abroad, or for accompanying as attendant to a patient going abroad for medical treatment/ check-up.

Following Capital Account transaction permissible under the FEMA (Permissible Capital Account Transactions) Regulations, 2000;

- Opening of foreign currency account with a bank abroad
- Purchase of property abroad
- Making investment abroad – acquisition and holding of shares of both listed and unlisted overseas company or debt instruments
- Setting up Wholly Owned Subsidiaries and Joint Ventures (with effect from August 05, 2013) outside India for bona fide business subject to the terms & conditions stipulated in notification no FEMA 263/RB-2013 dated March 5, 2013.
- Extending loans including loans in Indian Rupees to Non-resident Indians (NRIs) who are relatives as defined in Companies Act, 1956.

### **Service Charges**

- Cheque book: First 10 leaves free per FY; thereafter ₹50 per 10 leaves + GST.
- Debit Card Annual Maintenance: Nil.
- Cash withdrawal beyond free limit (where applicable): ₹0 per transaction.
- Duplicate passbook: ₹50 per issue.
- Account closure: Nil after 14 days of opening.

### **KYC Requirement**

#### **Interest Rate**

Interest Rate: 0.00% per annum on savings balances.

Interest is calculated on end-of-day balances and credited quarterly.

Rates are subject to change as per Bank/RBI policy.

#### **Eligibility Addendum**

Residents may open singly/jointly in USD/GBP/EUR per FEMA/RBI rules.