

RBI/2023-24/21

A.P. (DIR Series) Circular No.03

April 26, 2023

To

All Category-I Authorised Dealer Banks

Madam / Sir

**Remittances to International Financial Services Centres (IFSCs)
under the Liberalised Remittance Scheme (LRS)**

Attention of Authorised Dealer Category-I (AD Category-I) banks is invited to [A.P. \(DIR Series\) Circular No. 11 dated February 16, 2021](#), on “Remittances to International Financial Services Centres (IFSCs) in India under the Liberalised Remittance Scheme (LRS)” and [Master Direction No. 7/2015-16 on Liberalised Remittance Scheme \(LRS\)](#) as amended from time to time.

2. On a review and with an objective to align the LRS for IFSCs set up under the International Financial Services Centres Authority Act, 2019 vis-à-vis other foreign jurisdictions, it has been decided to amend the directions under para 2 (ii) of the aforementioned [A.P. \(DIR Series\) Circular dated February 16, 2021](#), as – “Resident Individuals may also open a Foreign Currency Account (FCA) in IFSCs, for making the above permissible investments under LRS.” Thus, the condition of repatriating any funds lying idle in the account for a period up to 15 days from the date of its receipt is withdrawn with immediate effect, which shall now be governed by the provisions of the scheme as contained in the aforesaid Master Direction on LRS.

3. The Master Direction No. 7 is being updated to reflect these changes.

4. AD Category - I banks should bring the contents of this circular to the notice of their constituents and customers.

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

Yours faithfully,

(Ajay Kumar Misra)
Chief General Manager-in-Charge