



RESERVE BANK OF INDIA
Foreign Exchange Department
Central Office
Mumbai - 400 001

RBI/2012-13/423

A. P. (DIR Series) Circular No. 85

February 28, 2013

To,

All Authorised Dealer Category - I Banks

Madam / Sir,

Memorandum of Instructions for Opening and Maintenance of Rupee / Foreign Currency Vostro Accounts of Non-resident Exchange Houses

Attention of Authorised Dealer Category – I (AD Category – I) banks is invited to the [A.P. \(DIR Series\) Circular No. 28 \[A. P. \(FL/RL Series\) Circular No. 02\] dated February 6, 2008](#) on the captioned subject, as amended from time to time.

2. Under the extant Rupee Drawing Arrangements (RDAs), cross-border inward remittances are received in India by AD Category-I banks through Exchange Houses situated in Gulf countries, Hong Kong, Singapore and Malaysia (for Malaysia only under Speed Remittance Procedure). With a view to extending the scope of the said arrangement to certain other jurisdictions, it has been decided to extend the RDAs only under the Speed Remittance Procedure to Exchange Houses situated in all countries which are FATF compliant.

3. Accordingly, items No. 7 and 8 under Part **(B) Permitted Transactions** of Annex-I to the above mentioned circular have been modified and the said modified items may be read as under:

7. Payments to medical institutions and hospitals in India, for medical treatment of NRIs / their dependents and nationals of all FATF countries.

8. Payments to hotels by nationals of all FATF compliant countries/ NRIs for their stay.

4. All other instructions issued vide A.P. (DIR Series) Circular No. 28 [A. P. (FL/RL Series) Circular No. 02] dated February 6, 2008, as amended from time to time will remain unchanged.

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

6. The directions contained in this circular have been issued under Section 10(4) and Section 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,

(Rudra Narayan Kar)
Chief General Manager-In-Charge