

International Credit Cards - Liberalisation of Facilities for Residents
A.P.(DIR Series) Circular No.103 (May 21,2003)

Reserve Bank of India
Exchange Control Department
Central office
Mumbai-400 001

A.P.(DIR Series) Circular No.103

May 21,2003

To
All Authorised Dealers in Foreign Exchange

Madam/Sirs,

International Credit Cards - Liberalisation of Facilities for Residents

Attention of authorised dealers is invited to A.P. (DIR Series) Circular No.73 dated January 24, 2003, relating to the use of International Credit Cards.

2. As a step towards further liberalisation, resident individuals maintaining a foreign currency account with an authorised dealer in India or a bank abroad, as permissible under extant Foreign Exchange Regulations, are free to obtain International Credit Cards issued by overseas banks and other reputed agencies. The charges incurred against the card either in India or abroad, can be met out of funds held in such foreign currency account/s of the card holder or through remittances, if any, from India only through a bank where the card-holder has a current or savings account. The remittance for this purpose, should also be made directly to the card-issuing agency abroad, and not to a third party.
3. It is also clarified that the applicable credit limit will be the limit fixed by the card issuing banks. There is no monetary ceiling fixed by the RBI for remittances, if any, under this facility.
4. It is further clarified that the same restriction, as is applicable presently to use of ICCs by residents, would apply for purchase of prohibited items, like lottery tickets, banned or proscribed magazines, participation in sweepstakes, payment for call back services, etc.
5. Authorised Dealers 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).

Yours faithfully,
Grace Koshie
Chief General Manager