



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

RBI/2011-12/173
A.P. (DIR Series) Circular No. 12

September 15, 2011

To

All Banks Authorised to Deal in Foreign Exchange

Madam / Sir,

**Savings Bank account maintained by residents in India –
Joint holder - liberalisation**

Attention of Authorised Dealer (AD) banks is invited to Regulation 2(vi) of [FEMA Notification No. 5 dated May 3, 2000](#) in terms of which Non-Resident Indian (NRI) means a person resident outside India who is a citizen of India or is a person of Indian origin.

2. The Committee to Review the Facilities for Individuals under the Foreign Exchange Management Act, 1999 has recommended in its Report that resident individuals may be permitted to include non-resident close relative(s) (relatives as defined in the Companies Act, 1956) as joint account holder(s) in their resident bank accounts.

3. On a review, it has been decided that individuals resident in India may be permitted to include non-resident close relative(s) (relatives as defined in Section 6 of the Companies Act, 1956) as a joint holder(s) in their resident bank accounts on 'former or survivor' basis. However, such non-resident Indian close relatives shall not be eligible to operate the account during the life time of the resident account holder.

4. AD banks may bring the contents of this circular to the notice of their constituents/customers concerned.

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,

(Meena Hemchandra)

Chief General Manager In-Charge