

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

LOK SABHA UNSTARRED QUESTION NO. 2902

TO BE ANSWERED ON MONDAY, 21st MARCH, 2022/ PHALGUNA 30, 1943 (SAKA)

Repatriation of Income

2902. SHRI SANJAY JADHAV:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is mandatory for a person being an individual to repatriate the income earned on assets held outside India such as rental income or any like nature;
- (b) if so, the time period within which it can be done; and
- (c) if not, whether it is proposed to mandate the repatriation of such rental income and if so, the details thereof?

ANSWER

**MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)**

- (a) , (b) & (c) In general, a person resident in India to whom any amount of foreign exchange is due or has accrued is duty bound to take all reasonable steps to realise and repatriate such foreign exchange to India, save as otherwise provided under the provisions of Foreign Exchange Management Act, (FEMA), or the rules and regulations made thereunder, or with the general or special permission of the Reserve Bank.

However, Section 6(4) of Foreign Exchange Management Act, (FEMA), 1999 permits a person resident in India to hold, own, transfer or invest in foreign currency, foreign security or any immovable property situated outside India if such currency, security or property was acquired, held or owned by such person when he was resident outside India or inherited from a person who was resident outside India.

Further under the Liberalised Remittance Scheme (LRS), Investor, who has remitted funds under LRS can retain and reinvest the income earned on the investments and at present, the resident individual is not required to repatriate the funds or income generated out of investments made under the Scheme.

Foreign Exchange Management (Realisation, repatriation and surrender of foreign exchange) Regulations, 2015 prescribe the manner of repatriation and timeline for surrender of foreign exchange.
