

FEMA Ke Fundae

#FamiliarwithFEMA

**RUPEE GIFT BY RESIDENT TO
NRI INDIVIDUAL**

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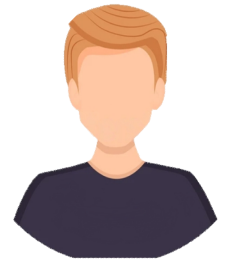




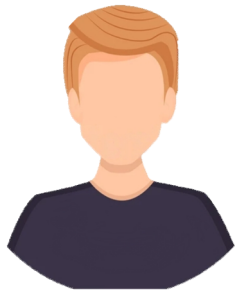
Mr Ranjan
(Resident Individual)

Hello Mr FEMA Gyani. Hope you're doing well. My sister, Anaysa, an NRI, is studying abroad in Californian University. I wish to send Rs. 1,50,000 to her so that she can buy a gift of her choice for her 20th birthday. As per my knowledge, gifts to a relative are non taxable under income tax law. But my sister is an NRI so I wanted to make sure if I am allowed to do this under FEMA also?

Yes Mr Ranjan, Since Ms. Anaysa your relative, you're allowed to gift under FEMA Regulations also. Let me simplify you the conditions that are needed to be fulfilled for the same:



The FEMA Gyani



The FEMA Gyani

conditions

1

It should be done by way of **crossed cheque** or **electronic transfer**.

2

The resident donor should ensure that the gift amount is **within the LRS limit** of USD 250,000 per FY and all remittances including the gift amount should not exceed the overall LRS limit.

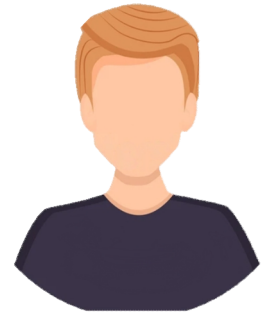
3

The gift amount should be **credited to the Non-Resident (Ordinary) Rupee Account (NRO)** a/c of the NRI.



**Mr Ranjan
(Resident Individual)**

Got it! One more thing, Anaysa is also planning to visit India in the coming days so what if I gift her in cash when she comes? Am I allowed to do so?



The FEMA Gyani

Well Mr. Ranjan that's not permitted.. You cannot gift **rupee in cash** to your sister since she is an NRI.



**Mr Ranjan
(Resident Individual)**

Okay Mr. FEMA Gyani. Thanks for the help.

Thank You!

Let's meet every
Wednesday.

To make you more familiar with FEMA,
we are happy to listen to your

Comments

Feedbacks

Suggestions



The FEMA Gyani

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