



CIRCULAR

To,
All Financial Institutions in IFSC

January 29, 2025

Madam/Sir

Permissible transactions through the Special Non-Resident Rupee (SNRR) accounts of IFSC units - Amendment

1. As you would be aware, a unit in an International Financial Services Centre (IFSC), notified under section 18 of the Special Economic Zones Act, 2005, may open an SNRR account with an authorised dealer in India (outside IFSC).
2. The extant directions, under the Foreign Exchange Management (Deposit) Regulations, 2016 ("the regulations"), permitted the abovementioned SNRR account to be used for business related transactions like administrative expenses in INR outside IFSC, INR amount from sale of scrap, government incentives in INR, etc.
3. All Financial Institutions may note that an amendment to the regulations, notified on January 14, 2025¹, now permits the said SNRR account to be used for all business related transactions of the IFSC unit.

Yours faithfully

(Supriyo Bhattacharjee)
Chief General Manager
Department of Banking Regulation

¹ Foreign Exchange Management (Deposit) (Fifth Amendment) Regulations, 2025 dated January 14, 2025, issued by the Reserve Bank of India (Notification No. FEMA 5(R)(5)/2025-RB)