

International Credit Cards used outside India within the purview of LRS

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Under the *Liberalized Remittance Scheme* (“**LRS**”), the limitation on individuals to avail *foreign exchange facilities* for purposes such as gifts, donations, private visits outside India, emigration, education abroad, business travel, medical treatment is an amount up to **USD 2,50,000**, subject to certain conditions, in a financial year, without any approval of Reserve Bank of India.

The **Ministry of Finance** has amended the Foreign Exchange Management (Current Account Transaction) Rules, 2000, (“**Rules**”) to bring the use of international credit cards within the purview of LRS.

Now, when a resident individual is *on a visit outside India* and uses an *International Credit Card* for *making payments* towards meeting expenses, such person would be subject to the LRS limits specified in *Schedule III* of the Rules, which currently is **USD 2,50,000**, in a financial year.

The aforementioned was notified vide a notification dated May 16, 2023 ([available here](#)) and shall come into force from May 16, 2023.