



बेटी बचाओ  
बेटी पढ़ाओ

भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA

RBI/2026-27/114  
A.P. (DIR Series) Circular No. 14

June 15, 2026

To

All Category – I Authorised Dealer Banks

Madam / Sir

**Liberalisation of Foreign Portfolio Investment under Schedule III of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019**

Attention of Authorised Dealer (AD) Category - I banks is invited to the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (hereinafter referred to as 'Rules'), notified by the Central Government on October 17, 2019, which have been amended through the Foreign Exchange Management (Non-debt Instruments) (Third Amendment) Rules, 2026 vide S.O. 3030(E), dated June 12, 2026, enabling investment in equity instruments of a listed Indian company on a recognised stock exchange in India by all individual person(s) resident outside India [which was hitherto permitted only to Non-Resident Indians (NRIs) and Overseas Citizens of India (OCIs)] with enhanced investment limits,. Further, necessary amendments under the [Foreign Exchange Management \(Mode of payment and Reporting of Non-Debt Instruments\) Regulations, 2019](#) (hereinafter referred to as 'Regulations') have been notified vide [notification no FEMA 395\(4\)/2026-RB dated June 13, 2026](#).

2. The AD Category-I banks may open a repatriable INR account of an individual person resident outside India in accordance with [Foreign Exchange Management \(Deposit\) Regulations, 2016](#) to facilitate investment under Schedule III to the Rules. The reporting of such transactions and monitoring of investment limits prescribed under the Rules shall be undertaken in the same manner as is presently followed for investments by NRIs/OCIs. Any reclassification of investments made under Schedule III of the Rules by an individual person resident outside India from Foreign Portfolio Investment to Foreign Direct Investment (FDI), upon breach of the prescribed investment limits or otherwise, shall be undertaken in accordance with the framework prescribed by the Reserve Bank for Foreign Portfolio Investors (FPIs) in terms of [A.P. \(DIR Series\) Circular No. 19 dated November 11, 2024](#).



3. While facilitating such investments, AD Category-I banks shall ensure compliance with the provisions of the Rules, Regulations and applicable SEBI regulations. For this purpose, banks shall put in place appropriate systems and procedures and may obtain required documents/disclosures from the investor concerned as may be necessary to ensure compliance with the applicable regulatory requirements.

4. These directions shall come into force with immediate effect. AD Category-I banks may bring the contents of this circular to the notice of their customers / constituents 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

**(Dr. Aditya Gaiha)**  
Chief General Manager-In-Charge