

## Non Resident Rupee Accounts (NRRRA)

### Nature of the product

Sri Lankan Rupee Ac maintained in the form of Savings Account, Current Account (without overdraw facility) or Fixed Deposit Account

### Benefits to the customers

- Monthly interest
- Ability to transfer funds within the Bank or different Banks.

### Eligibility

- An emigrant resident in or outside Sri Lanka.
- A firm or a company established/incorporated outside Sri Lanka.

### Minimum Balance Requirement

- |                            |   |   |
|----------------------------|---|---|
| i. NRRRA Savings Accounts  | - | Not applicable  |
| ii. NRRRA Current Accounts | - | Not applicable  |
| iii. NRRRA Fixed Deposits  | - | Minimum balance / initial deposit requirement for normal Sri Lanka Rupee Fixed Deposit will be applicable |

### Permitted Credits

- I. Remittances in foreign exchange received from outside Sri Lanka in favor of the account holder through the banking system, for the purpose of local disbursements in Sri Lanka.
- II. Where the account holder is an emigrant;
  - i. Any proceeds derived from any assets in Sri Lanka (including movable, immovable, tangible and intangible assets), owned by the emigrant while being a resident in Sri Lanka or acquired by utilizing funds through such emigrant's Sri Lanka rupee accounts prior to the regulations coming into effect or acquired by funding through the account as permitted in the Foreign Exchange (Classes of Capital Transactions Undertaken in Sri Lanka by a Person Resident Outside Sri Lanka) Regulations No. 02 of 2021.
  - ii. Any proceeds derived from any assets in Sri Lanka (including movable, immovable, tangible and intangible assets) that are inherited by an emigrant, from a person resident in Sri Lanka.
  - iii. Any proceeds derived from any asset in Sri Lanka (including movable, immovable, tangible and intangible assets) that are received as a gift by an emigrant, from an immediate family member who is a person resident in Sri Lanka.
  - iv. Any proceeds realized from any asset Sri Lanka (including movable, immovable, tangible and intangible assets) that are inherited or received by way of a gift to or by the emigrant, from another emigrant who is an immediate family member (i.e. transferor) out of the investments, made while being a resident in Sri Lanka or made through his or her Sri Lanka rupee accounts prior to the regulations coming into effect or inherited by the transferor or received as a gift by the transferor or made through an NRRRA of transferor as permitted in the Foreign Exchange (Classed of Capital transactions Undertaken in Sri Lanka by a Person Resident Outside Sri Lanka) Regulations No. 02 of 2021.

- v. Any income derived from the investments owned or inherited or received as a gift by the emigrant as mentioned above.
  - vi. Superannuation benefits of the account holder (including Employees Provident Fund (EPF), Employees Trust Fund (ETF), gratuity and pensions or any other retirement benefits).
- III. Where the account holder is a firm, or a company established/incorporated outside Sri Lanka;
- i. Local income derived from a current transaction, subject to the verification of the documentary evidence and upon establishing bona-fide of the transactions.
  - ii. Any income and any capital proceeds of the investments as permitted under subparagraph 4(7) under heading A of Schedule I of the Foreign Exchange (Classes of Capital transactions Undertaken in Sri Lanka by a Person Resident Outside Sri Lanka) Regulations No. 02 of 2021.
- IV. Interest earned on the funds held in the account.

### **Permitted Debits**

- I. Where the account holder is an emigrant;
- i. Payments relating to the investments as permitted the Foreign Exchange (Classes of Capital transactions Undertaken in Sri Lanka by a Person Resident Outside Sri Lanka) Regulations No. 02 of 2021.
  - ii. Transfers to the Capital Transactions Rupee Account of the accountholder.
  - iii. Transfer out of current income of the accountholder credited under paragraph 5(b) (v), to the Emigrant's Remittable Income Account of the account holder.
  - iv. Transfer of funds to the Capital Transaction Rupee Account of the administrator/executor of the estate of a deceased person (i.e. accountholder).
- II. Where the account holder is a firm, or a company established or incorporated outside Sri Lanka;
- i. Remittances out of the funds credited under paragraph 5(c) i. and 5(d) of these Directions.
  - ii. Out of the funds credited under paragraph 5(c) ii. Of these Directions, remittance/transfer of USD 30,000 per annum, to Inward Investment Account or an account maintained in the Offshore Banking Unit or as account maintained outside Sri Lanka, of the account holder.
- III. Disbursements in Sri Lanka in Sri Lanka Rupees.

### **General**

- I. NRRAs may be opened and maintained in the form of Savings or Current (without overdraw facility) or Term Deposit account, in Sri Lanka Rupees.
- II. NRRAs shall be held as sole account and NRRAs maintained by emigrants may be held as joint accounts with another emigrant.
- III. A firm or a company established/incorporated outside Sri Lanka who expect to execute transactions permitted of the Foreign Exchange (Classes of Capital Transactions Undertaken in Sri Lanka by a Person Resident Outside Sri Lanka) Regulations No. 02 of 2021, shall only be eligible to open one NRRAs in the banking system, for such purpose.

- IV. All Capital Transactions Rupee Accounts except the accounts for which Registration Numbers have been issued by the Central Bank, shall be re-designated and continued to be operate as NRRAs, within three months from the date of the regulations.
- V. All Sri Lanka Rupee Accounts maintained by an emigrant who expects to leave Sri Lanka for the purpose of permanently settling in the country where he/she has obtained Permanent Residency status, shall be re-designated and continued to be operated as NRRAs, with immediate effect once the AD is informed or aware on his/her migration.
- VI. Any Sri Lanka Rupee account which maintained as "sole account or joint account" by an emigrant who expect to leave to Sri Lanka for the purpose of permanently settling in the country where he/she has obtained Permanent Residency status, shall be re-designated and continued to be operate as NRRAs.
- VII. Any Sri Lanka Rupee account maintained as "joint account" by an emigrant who expects to leave Sri Lanka for the purpose of permanently settling in the country where he/she has obtained Permanent Residency status with another person resident in Sri Lanka, shall be closed and the said emigrant may open NRRAs, if required. The balance lying in such Sri Lanka Rupee Accounts may be transferred to the NRRAs to be opened by the prospective migrant, subject to the procedure of normal banking business.
- VIII. Any Sri Lanka Rupee account maintained as "joint account" by an emigrant who expects to leave Sri Lanka for the purpose of permanently settling in the country where he/she has obtained Permanent Residency status with another emigrant, shall be re-designated and continued to be operate as NRRAs.
- IX. Outward Investment Accounts maintained by an emigrant who expect to leave Sri Lanka for the purpose of permanently settling in the country where he/she has obtained Permanent Residency status, shall be converted and continued to be operated as NRRAs, with immediate effect once the AD is informed or aware on his/her migration. ADs shall inform such converted of Outward Investment Accounts into NRRAs (including the details such as sum of outward remittances (USD), date of remittances of all investment made to the country where he/she has obtained Permanent Residency status) to the Director-Department of Foreign Exchange within one week from the date of conversion.

#### **Documents Required to open NRRRA**

- (a) For individuals, account opening application (**Refer below link 1**), a photocopy of valid passport (Pages depicting details of the applicant, Visa and endorsements for alterations), KYC Form, FATCA declaration and any other documents stipulated by the Bank from time to time.
- (b) In respect of Firms and Companies registered outside Sri Lanka, account opening application as appropriate, KYC Forms, FATCA declaration and any other documents stipulated by the Bank
- (c) Information and documents evidencing the eligibility to open a NRRRA as relevant.

### **Closure of NRRAs**

- I. NRRAs may be closed at the request of the account holder if all investments made through NRRAs (if any) are disposed/ liquidated and such proceeds are transferred to the CTRA of the account holder.
- II. Bank should inform such closure to the Director-Department of Foreign Exchange within one week from the date of such closure.

#### ***Account opening application (1)***

[https://www.peoplesbank.lk/roastoth/2022/05/Application\\_form\\_account\\_opening.pdf](https://www.peoplesbank.lk/roastoth/2022/05/Application_form_account_opening.pdf)

#### ***CBSL Directions on NRRAs***

[https://www.cbsl.gov.lk/sites/default/files/cbslweb\\_documents/laws/cdg/Foreign\\_Exchange\\_Act\\_Direction\\_No\\_18\\_of\\_2021\\_e.pdf](https://www.cbsl.gov.lk/sites/default/files/cbslweb_documents/laws/cdg/Foreign_Exchange_Act_Direction_No_18_of_2021_e.pdf)