

Covid19 Alert : Keep Social distance and utilize your time by joining CA CS CMA online classes at 30% disc Coupon: SAFE30 Call : 1800-3000-0505

Home / Experts / Corporate Law

Loan form NRI

This query is : Resolved

Report Abuse Follow Query

Ask a Query



25 January 2020

A Pvt Ltd. can borrow form NRI (Share holder cum director) in INR with rate of interest. Is there any compliance need to follow? Experts PI advice.

KETAN MEHTA

(Querist)

+ Follow

Unanswered Queries

Search query

Popular Recent

- ▶ Working of tax on Itcg on inherited jewellery
- ▶ Banks FY for 2019 - 20, March 2020 or June 2020 !?
- ▶ Residential status of an individual (OCI)
- ▶ 44 AB Audit
- ▶ 80 C DEDUCTION
- ▶ Derivative Trading :Which is better ? Nifty or bank nifty?
- ▶ KVP MATURED BUT NOT DRAWN IN TIME

- ▶ Investment Declaration Switch between new and old regime
- ▶ ITC on group medical insurance policy
- ▶ Credit ledger balance query

Answer Query
Share knowledge



25 January 2020

Resident of India can only borrow money in Indian rupees from NRIs. The conditions under which he/she can borrow are:

Borrowing shall be only on a non-repatriation basis. This means that funds once given cannot be taken back.

The loan can be received only in two ways. The first way is to debit the NRE/NRO/FCNR account of the NRI and give the loan to the Indian resident. The second way is by inward remittance from outside India.

The loan cannot be given for more than three years.

The rate of interest on such loan is fixed. The rate of interest should not be more than two percent above the Bank Rate prevailing on the day of giving of loan.

The repayment of the principal amount and the interest can be done only to the NRO account of the NRI.

CA R SEETHARAMAN

(Expert)

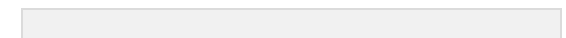
+ Follow

Click to Talk



25 January 2020

in such case How the company can borrow from director where all shareholders are nri



KETAN MEHTA

(Querist)

+ Follow



27 January 2020

You need to comply with the ECB guideline of RBI under FEMA regulations. This is the only permissible route for borrowing.

Zeal Bangdiwala

(Expert)

+ Follow



31 January 2020

ECB is for repatriation funds, non repatriation fund also has the same route?

KETAN MEHTA

(Querist)

+ Follow



31 January 2020

A loan can only be through ECB.

Zeal Bangdiwala

(Expert)

Subscribe to Expert Queries Feed

Enter your email address

Submit

Quick Links

[Experts Home](#)

[Apply As Expert](#)

[Daily Digest](#)

[Show all queries](#)

[Today's Posts](#)

[Ask a Query](#)

[Answer a Query](#)

[Hall of Fame](#)

[Settings \(Only for experts\)](#)

[+ Follow](#)

[← Previous News](#)

[Next News →](#)

You need to be the querist or **approved CAclub expert** to take part in this query .

[Click here to login now](#)

Similar Resolved Queries :

- [Form stk-2 / form inc-22a](#)
- [Mca form payment](#)
- [Resubmission of spice form inc -32](#)
- [Eligibility for filing ben 2 form of mca](#)
- [Filing of form dir-12](#)
- [Takeover of firm which form to file](#)
- [Roc form no. chg-4](#)
- [Error in filing company Form INC-22](#)
- [Post incorporation form filing by private limited company](#)
- [Which MOA should be attached with Form SH7?](#)

[Articles](#)

[News](#)

[GST](#)

[Trainee Corner](#)

[Member Strength 30,84,314 and growing..](#)

[Forum](#)

[Experts](#)

[Scorecard](#)

[Notification](#)

Get latest updates

[Career](#)

[Budget](#)

[CCI Online Learning](#)

[Featured](#)

[Jobs](#)

[Feed](#)

[Share Files](#)

[Poll](#)

[Video](#)

[Top Members](#)

[Bookmarks](#)

[Coaching Institutes](#)

[Download CCI APP](#)

[Our Network Sites](#)

[Income Tax](#)

[Rewards](#)

[Events](#)

[CA Online Classes](#)



[About](#) [We are Hiring](#) [Media Coverage](#) [Advertise](#) [Terms of Service](#) [Disclaimer](#) [Privacy Policy](#) [Contact Us](#)



© 2020 CAclubindia.com. India's largest network for Finance Professionals.