

TAX FLASH NEWS

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Consolidation of Guidelines for OCI Cardholder

Background

Government of India (GOI) launched the 'Overseas Citizenship of India' (OCI) Scheme in 2005. On 9 January 2015, the GOI merged the 'Persons of Indian Origin card' scheme with OCI card scheme.

Since 2005, GOI has, time and again, come out with guidelines relating to the rights of OCI cardholders. In 2019, Ministry of Home Affairs (MHA) issued office memorandum¹ highlighting OCI rights.

MHA has now issued a consolidated notification² which supersedes three earlier notifications issued on 11 April 2005³, 5 January 2007⁴, and 5 January 2009⁵.

Through this notification, OCI card holders have been provided following rights:

- **Grant of multiple entry lifelong visa** for visiting India for any purpose. However, a special permission is required to:
 - undertake any research;
 - undertake any Missionary or Tabligh or Mountaineering or Journalistic activities;
 - undertake internship in any foreign Diplomatic Missions or foreign Government organisations in India or to take up employment in any foreign Diplomatic Missions in India; and
- visit any place which falls within the Protected or Restricted or prohibited areas.
- **Exemption from registration** with the Foreigners Regional Registration Officer (FRRO) or Foreigners Registration Officer (FRO) for any length of stay in India. However, OCI cardholders who are normally resident in India shall intimate the jurisdictional FRRO/FRO by email of change in permanent residential address and in occupation.
- OCI cardholders will enjoy **parity with Indian nationals** in the matter of:
 - tariffs in air fares in domestic sectors in India; and
 - entry fees to be charged for visiting national parks, wildlife sanctuaries, the national monuments, historical sites and museums.
- OCI cardholders will enjoy **parity with Non-Resident India (NRIs)** in the matter of:
 - inter-country adoption of Indian children subject to the compliance of the procedure as laid down by the competent authority;
 - appearing for the all India entrance tests such as NEET, JEE (Mains), JEE (Advanced) or such other tests or any supernumerary seat (provided that the OCI cardholder shall not be eligible for admission against any seat reserved exclusively for Indian citizens);

¹ F. No. – 26011/Misc./ 47/2019 – OCI dated 15 Nov 2019

² Notification dated 4 March 2021 S.O. 1050(E)

³ S.O. 542(E)

⁴ S.O. 12(E)

⁵ S.O. 36(E)

- purchase or sale of immovable properties other than agricultural land or farmhouse or plantation property; and
- pursuing the following professions:
 - i. doctors, dentists, nurses and pharmacists,
 - ii. advocates,
 - iii. architects and
 - iv. chartered accountants.
- In respect of all other economic, financial and educational fields not specified in this notification or the rights and privileges not covered by the notifications made by the Reserve Bank of India under the FEMA, the OCI cardholder shall have the same rights and privileges as a foreigner.

Our comments

The entire concept of OCI was brought through the Citizenship Act, 1955, which is a legislation specifically meant to regulate the concept of Indian citizenship.

The MHA has been continuously putting efforts to provide clarity for OCI's. Through this notification, OCIs will enjoy parity with NRIs in some cases and with Indian citizens in some other cases, which is a welcome step.



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