COLONEL'S NRI NEWSLETTER

Practical intelligence for NRI families with property in India

ISSUE 2 — JUNE 2026 — Colonel CVS Sehgal (Retd.)

It is 11:14pm in Brampton.

Gurpreet has read the same paragraph three times. The legal notice from Ludhiana — forwarded on WhatsApp by her mother-in-law, photograph blurred, stamp barely visible — says something about the property. Something about a claim. Something about a name she does not recognise.

Harjinder is asleep. She will not wake him. Not yet. Not until she understands what she is reading.

This newsletter is for Gurpreet. And for every NRI family one legal notice away from a crisis they were never told was coming.

SECTION 1 — LAW UPDATE

FEMA Repatriation: What Every NRI Must Know Before Selling Property in India

When an NRI sells property in India, the proceeds do not automatically arrive in Canada. FEMA — the Foreign Exchange Management Act — governs every rupee of that transaction. The rules are strict. The penalties for non-compliance are severe.

The three rules most NRIs get wrong:

- Repatriation is capped at the original purchase price paid in foreign currency — not the current sale value. The profit above that amount has a different repatriation route.
- TDS at 20% (plus surcharge and cess) is deducted at source by the buyer on the entire sale value — not just the profit. Recovery takes months. Lower TDS certificates under Section 197 / Form 13 must be applied for in advance.
- The sale proceeds must be credited to an NRO account first. Repatriation to Canada then requires Form 15CA and 15CB — a CA certificate — before the funds can be transferred. Skipping this step triggers FEMA violations.

Harjinder wants to sell the Ludhiana property one day. He has no idea any of this exists. Gurpreet is reading this right now and making a mental note to ask Colonel Sehgal about Form 15CB tomorrow morning.

SECTION 2 — COURT WATCH

When a General POA Becomes a Blank Cheque: Darshan Singh vs State of Punjab (2024)

The Punjab and Haryana High Court in 2024 dealt with a case that reads like a nightmare.

An NRI had given his cousin a General Power of Attorney to manage his ancestral property in Amritsar. The POA was executed in 2011. The NRI never revoked it. Never reviewed it. Never thought about it again.

In 2023 — twelve years later — he discovered his cousin had used the General POA to sell the property to a third party. Registered sale deed. Completed transaction. The buyer was a bona fide purchaser for value — he had no knowledge of the fraud.

The court's finding was unambiguous:

> *"A General Power of Attorney, once executed and not revoked, confers unlimited authority on the holder. The grantor cannot subsequently claim ignorance of the transactions conducted under it."*

The NRI lost his property. The case is still in appeal.

Harjinder signed a General POA for his brother Chotu in 2017. It has never been reviewed. It has never been revoked.

Gurpreet knows this. She has known this for two years.

SECTION 3 — PRACTICAL TIP

Three Things You Can Do This Week — From Canada

You do not need to fly to India. You do not need a lawyer on the phone at midnight. These three steps take less than thirty minutes and cost nothing.

1. Check the Jamabandi online.

Go to jamabandi.punjab.gov.in. Enter your Khasra number and village name. Confirm that your name — or your family member's name — is correctly recorded as owner. If you see any name you do not recognise, that is an emergency.

2. Locate your General POA — if one exists.

Find it. Read it. If it gives unlimited sale and transfer powers — it must be reviewed immediately. A specific POA replacing a General POA is a one-week process in Chandigarh.

3. Call the person managing your property.

Ask them one direct question: Has anyone approached you about buying, renting, or claiming any part of the property in the last twelve months? The answer will tell you everything.

SECTION 4 — COLONEL'S CORNER

A Word From Colonel Sehgal

In forty years, I have sat across the table from hundreds of families. Good families. Educated families. Families who worked hard, saved carefully, and built something real.

The ones who lost property were not careless. They were simply uninformed. Nobody told them what to watch. Nobody warned them which document, left unchecked for one year too long, would be the door through which everything they built would walk out.

I built NRI Careconnect because I could not keep having that conversation after the damage was done.

Gurpreet — if you are reading this — show it to Harjinder. Not tomorrow. Tonight.

The property in Sarabha Nagar is not just bricks and concrete. It is your father-in-law's life's work. It is Manpreet's inheritance. It is the one thing that connects your family to everything that came before Canada.

It deserves thirty minutes of your attention this week.

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