

**Date : 31 May 2005**

**Annexure I : Guidelines for release of exchange for travel abroad and for other purpose**

## ANNEXURE I

### Guidelines for release of exchange for travel

abroad and for other purposes

#### PART A - TRAVEL ABROAD

- I. **Travel abroad by Members of Parliament/State Legislatures (except when travelling abroad on account of their private treatment), officials of the Central or any State Government (except when travelling at their own expense), member delegations financed out of funds from the Central or any State Government.**

##### **Documentation:**

Letter (in duplicate) indicating name, address, nationality and passport number of the applicant, along with the letter of sanction from (i) the Ministry of Finance (Department of Economic Affairs), Government of India, New Delhi (in case of officials of State Government/Parliament/State Legislatures) or (ii) the Administrative Ministry of Government of India (in case of officials of Central Government).

##### **Quantum of exchange:**

Amount sanctioned by Government in its letter of sanction.

NOTE: *Officials of State Government/Union Territory (U.T.), holding ex-officio status in co-operative societies funded by the State/U.T. Governments going abroad in delegation or for participating in exhibitions, as well as officials going abroad for training under World Bank, etc. aided schemes, will require approval of the Ministry of Finance.*

- II. **Officials in the office of the Comptroller and Auditor General (C&AG) deputed abroad and personnel of the Department (IAAD) on their posting abroad.**

##### **Documentation:**

Letter (in duplicate) indicating name, address, nationality, passport number of the applicant, along with the letter of sanction from the Government.

##### **Quantum of exchange:**

Amount sanctioned by C&AG in its letter of sanction.

**III. Business visits sponsored by firms/companies/organisations in India, journalists deputed on short-term newspapers/journals and self-employed professionals like Solicitors, Chartered Accountants, undertaking visits their profession.**

**Documentation:**

Letter (in duplicate) from the sponsoring firm/company/ organisation [from the applicant in cases of self-employed professional] giving address, nationality, passport number of the traveller, duration and nature of visit to each country, exchange required and expenses to be borne by them. In case exchange is to be released at special scale, a declaration from the sponsoring firm/company/ traveller is a Chief/Senior Executive in the organisation (indicating his designation) and confirming that he is entitled to draw exchange.

**Quantum of exchange:**

(i) (a) *Special scale*

For Chief/Senior Executives like Chairman, Managing/ Executive Director, etc. Up to U.S.\$ 500 per day for a period not exceeding 30 days.

(b) *General scale*

For others up to U.S.\$ 350 per day for a period not exceeding 30 days.

(ii) **Entertainment Allowance**

(a) Chief Executives of Export/Trading/Star Trading Houses/Super Star Trading Houses - not exceeding U.S.\$ 2000/-.

(b) Officials of other firms/companies etc.- not exceeding U.S. \$ 2000/-.

NOTE: A. If the amount of exchange asked for does not exceed U.S.\$5000 (inclusive of expenses), it may be released regardless of the duration of the visit and the per diem.

B. See paragraph 8A.1(ii) for release of exchange in excess of the prescribed scales :

C. Exchange may also be released to foreign nationals if the visit is sponsored by i  
in India where they are employed on regular basis.

**IV. Travel abroad by members of delegations sponsored by Trade Bodies like Chambers of Commerce, ASSOCHAI**

**Documentation:**

Letter (in duplicate) from the sponsoring firm/company/ organisation indicating name, address, nationality, pass purpose and duration of visit to each country, exchange required and certifying that the expenses are being b company, etc. In case exchange is to be released at special scale, a declaration from the sponsoring firm/company/o a Chief/Senior Executive in the organisation (indicating his designation) and confirming that he is entitled to draw excha

**Quantum of exchange:**

(i) (a) *Special scale*

For Chief/Senior Executives up to U.S.\$ 500 per day for a period not exce

(b) *General scale*

For others up to U.S.\$ 350 per day for a period not exce

(ii) *Entertainment Allowance:*

Not exceeding U.S.\$ 5000 to the leader of the delegation.

NOTE: A. If the amount of exchange asked for does not exceed U.S.\$ 5000 per member, it may i  
duration of the visit and the per diem rate of exchange

B. See paragraph 8A.1(ii) for release of exchange in excess of the prescribed scales and/or for

**V. Travel abroad for business purposes by officials of public and private sector banks, branches of foreign banks, Co-operative banks which are authorised dealers and other financial institutions like IDBI, UTI, NABARD, NHB,**

**Documentation:**

Letter (in duplicate) by the sponsoring bank/institution indicating name, address, nationality, passport number of the traveller, details of visit to each country, exchange required and certifying that the expenses are being borne by the organisation. For release at Special scale, a declaration from the sponsoring bank/institution that the traveller is a Chief/Senior Executive (indicating his designation) and confirming that he is entitled to draw exchange at special scale. Approval of the Ministry of Finance, India should be obtained and certified copy thereof should be attached to the application, only if the visit abroad of officials of public sector banks/financial institutions exceeds the number of days indicated in Ministry of Finance (Banking Department) notification F.No.18/1/97-BOI dated 11th December 1997 (Annexure IA).

**Quantum of exchange:**

(a) *Special scale*

For Chief/Senior Executives like Chairman, Managing Director, up to U.S. \$ 500 per day for a period not exceeding 30 days. For Executive Director, etc.

(b) *General scale*

For others up to U.S.\$ 350 per day for a period not exceeding 30 days.

(c) *Entertainment allowance*

(i) Chairman/Managing/Executive Director Not exceeding U.S.\$ 5000/-

(ii) Other officials Not exceeding U.S.\$ 2000/-

Note: See paragraph 8A.1(ii) for release of exchange in excess of the prescribed scales and/or for long duration.

**VI. Participation in international conferences/seminars of scientific, technical or educational nature.**

**Documentation:**

Letter (in duplicate) from the sponsoring institution (from the applicant in cases of self-employed professionals) indicating r passport number of the participant, duration of visit to each country, exchange required and certifying that the exper organisation. The brochure giving full particulars of the Conference/Seminar shall also be submitted along with the applicat released at special scale, a declaration from the sponsoring institution that the traveller is a Chief/Senior Executive in th designation) and confirming that he is entitled to draw exchange at Special scale.

**Quantum of exchange:**

- (i) Registration fee as per brochure.
- (ii) Up to U.S.\$ 500 per day in case the traveller is Chief/Senior Executive like Chairman, Managing / Executiv 350 per day in other cases, for the duration of the conference/ seminar, plus two days. If the registrati lodging expenses, U.S.\$ 500 only may be released towards incidental expenses.

- NOTES:
- A. *If the amount of exchange asked for does not exceed U.S.\$ 5000, it may be released re visit and the per diem rate of exchange.*
  - B. *If participation in the conference/ seminar is proposed to be combined with a busir released only for the actual number of days of conference/seminar.*
  - C. *See paragraph 8A.1(ii) for release of exchange in excess of the scales prescribed at (ii) ab*

**VII Specialised training/study tour sponsored by institutions or undertaken by professionals like Doctors****Documentation:**

Letter (in duplicate) from the sponsoring organisation (from the applicant in cases of self-employed professionals) ir nationality, passport number of the traveller, the details of training/study tour, country to be visited and exchange require overseas institution/s agreeing to provide necessary facilities for the training/study tour.

**Quantum of exchange:**

(a) Course fee (applicable to training only)

Up to U.S.\$ 5000 per person on production of documentary evidence.

(b) Maintenance expenses

U.S.\$ 300 per day for a period not exceeding 30 days.

NOTES: A. *If the amount of exchange asked for does not exceed U.S.\$ 5000, it may be released re visit and the per diem rate of exchange.*

B. *If the course fee is inclusive of maintenance expenses, U.S.\$ 50 per day (for incidental e the actual period of training/study tour.*

C. *See paragraph 8A.1(ii) for release of exchange in excess of the scales prescribed at (b) ab*

## **VII Business visits against foreign hospitality.**

I.

### **Documentation:**

Letter (in duplicate) from the applicant indicating name, address, nationality and passport number of the traveller, country and address of the host, purpose of visit, etc. and documentary evidence in support of full hospitality.

### **Quantum of exchange:**

Up to U.S.\$ 500/- if the visit is for a period not exceeding 10 days. If the period of visit exceeds 10 days, U.S.\$ 50 per day days.

Note: *See paragraph 8A.1(ii) for release of exchange in excess of the scales prescribed above.*

## **IX. Employment abroad**

**Documentation:**

Letter (in duplicate) indicating name, address, nationality and passport number of the applicant together with the letter of a organisation in original (with a copy).

**Quantum of exchange:**

Up to U.S.\$ 2,500 per person.

**X. Emigration**

**Documentation:**

Letter (in duplicate) indicating name, address, nationality and passport number of the applicant, country of emigration evidence in support of emigration.

**Quantum of exchange:**

Up to U.S.\$ 3,000/- per person/per member of family or the amount required by the country of emigration subject to produce in support thereof from the Mission in India of the concerned country.

**XI. Medical Treatment**

**Documentation:**

Form TRM 1

**Quantum of exchange:**

(a) **For patient**

(i) **Hospitalisation**



Not exceeding the estimate given by the overseas doctor/hospital.

(ii) **Pre/Post hospitalisation**

The period recommended in form TRM 1 subject to a maximum of 2 months @ U.S.\$ 150 per day.

(b) **For attendant**

@ U.S.\$ 150 per day for the period of stay of the patient.

**Special conditions:**

Exchange shall be released subject to the condition that documentary evidence in support of the expenditure incurred on the authorised dealer promptly on return to India. Authorised dealer should verify it and thereafter preserve it for audit/inspection.

- NOTE:
- A. *In the case of persons who have fallen ill after proceeding abroad for business etc. in addition to the exchange prescribed, additional exchange, authorised dealers may release additional exchange for medical treatment in form TRM 2 signed by the attending doctor/hospital abroad subject to submission of documentary evidence of expenditure incurred on medical treatment on return of the person concerned to India.*
  - B. *See paragraph 8A.1(ii) for release of exchange in excess of the scales prescribed at longer duration.*

**XII Medical check-up/consultation abroad**

**Documentation:**

Letter (in duplicate) giving the necessary details.

**Quantum of exchange:**

- i) For check up/consultations
  - Up to U.S.\$ 1,000
  
- ii) Pre/post consultation/check up
  - a) U.S. \$ 150 per day to the patient for a period not exceeding seven days.
  
  - b) U.S. 150 per day to the attendant for the period up to which exchange is released to the patient if an attending doctor in India is produced to indicate the need for attendant to accompany the patient.

Note: See paragraph 8A.1(ii) for release of exchange in excess of the above referred per diem scales.

**XII Apprenticeship training under a foreign collaboration agreement etc. of persons employed in a manufacturing concern.**

**Documentation:**

Letter (in duplicate) from the sponsoring organisation indicating the name, address, nationality, passport number of the trainee and the exchange required along with a letter from the overseas organisation indicating the facilities for the training.

**Quantum of Exchange:**

Up to U.S.\$ 2000 per month up to 3 months.

Note: See paragraph 8A.1(ii) for release of exchange in excess of the prescribed scales and/or for longer periods.

**XI Training abroad where the entire cost of training is borne by the overseas organisation/institution.**

**Documentation:**

Letter (in duplicate) from the sponsoring organisation indicating name, address, nationality and passport number of the trainee and the exchange required, name and address of overseas organisation/institution, nature, period and country of training, supported by details of facilities offered for the training and stating that the entire expenses of lodging, boarding, etc. will be borne by the overseas organisation/institution.

**Quantum of exchange:**

Up to U.S.\$ 500 if the period of training does not exceed 10 days. If the period of training exceeds 10 days, U.S.\$ 50 per day up to 30 days.

Note: See paragraph 8A.1(ii) for release of exchange in excess of the prescribed scales and/or for longer

## **XV Basic Travel Quota (BTQ)**

### **Eligibility**

Resident Indian citizens are eligible under the scheme of Basic Travel Quota to avail of foreign exchange up to U.S. undertaking one or more private visits to any country abroad (except Nepal and Bhutan) in any calendar year. Foreign nationals are also eligible to avail of this quota provided they are not availing of facilities for remittance of their salary, savings etc. under 11D.2 and 11D.3 of ECM).

### **Documentation**

Letter (in duplicate) giving particulars such as name, address, nationality, country/ies of visit, number and date and place of travel along with the passport and containing declaration that the exchange applied for together with the exchange already availed under Basic Travel Quota during the calendar year does not exceed U.S.\$ 3,000 or its equivalent. If the applicant is a foreign national he/she should give an undertaking on the application itself that he/she is permanently resident in India and is not availing of his/her salary, savings, etc. abroad in terms of the existing Exchange Control regulations.

### **Quantum of exchange:**

Up to U.S.\$ 3000 per person per calendar year.

### **Special Conditions:**

- (i) Passport of the traveller should be verified by the authorised dealer to ensure his eligibility for release of exchange.
- (ii) Passport of the traveller should be endorsed with the amount of exchange sold and notation 'Basic Travel Quota' with authentication with stamp and date. A photocopy of each of the relevant pages of the traveler's passport should be available for example, name, address, date of birth, signature, photograph and number, date, place of issue, visa for country of visit and the pages where endorsement for BTQ has been made.
- (iii) In the event of cancellation of the journey and surrender of exchange to the authorised dealer, the endorsement on the exchange sold may be cancelled by the authorised dealer under his stamp and signature with date.

### **Travel to Neighbouring countries namely Pakistan, Bangladesh and Myanmar by land route**

Authorised dealers may release exchange to travellers proceeding to Pakistan, Bangladesh

or Myanmar by land route up to the amount asked for but within the eligible limit of U.S.\$ 3000 per person provided the travel is for exchange under BTQ. The journey ticket need not be insisted upon. All other conditions regarding application, verification of sale of foreign currency, endorsement on traveller's passport for sale of foreign exchange under BTQ, etc. remain unchanged.

## **XVI. Studies Abroad**

### **Application:**

Form TRS.

### **Eligibility :**

Following categories of students are eligible for release of exchange for studies abroad provided they have secured admission to an overseas university/college/educational institution or an articleship from a firm of Chartered Accountants in U.K.

(i) Students holding Indian passports.

(ii) Students holding foreign passports dependent on their parents resident in India.

### **NOTES:**

- A. Exchange facilities may be made available to eligible students who had gone abroad with India for the remaining duration of the course.
- B. Exchange may also be released to students for continuing the same course for which exchange at the same or any other educational institution.
- C. It is **not** necessary that full exchange entitlement for the entire year or duration of the course be drawn from an authorised dealer. Students are free to draw part of their foreign exchange entitlement from another .
- D. Deposit towards **advance** tuition fees/maintenance may be remitted if insisted upon by the authorised dealer should obtain an undertaking from the student that in the event of his/her not joining the course, the exchange is admissible refund and repatriate it to India.

### **Duration of Course :**

The actual duration of the course.

### **Quantum of exchange :**

(a) U.S.\$ 30,000 per annum towards tuition fees, maintenance expenses, books etc. Exchange in excess of U.S.\$ 30,000 (a

actuals) may be released to the extent of the requirement of exchange indicated in the letter from the overseas institution. If the student is in receipt of scholarship, the amount thereof may be adjusted against the amount of exchange admissible to him **only to the extent desired by the applicant.**

(b) In cases where the student is in receipt of full sponsorship from a close relative, he will be eligible for full exchange, if he desires not to avail of the relative's hospitality.

(c) In case letter of admission from overseas university does not indicate the estimate of exchange requirements, exchange up to U.S.\$ 15,000 may be released subject to adjustment while releasing further exchange.

(d) Exchange may be released for a period not exceeding one year at a time.

(e) Exchange may be released in the form of currency notes not exceeding U.S.\$ 500 and balance amount may be released in the form of travellers' cheques/draft/T.T. in favour of the student or the educational institution, as desired by the applicant. Students going to Russia or other Republics of CIS countries may be released exchange in the form of currency notes for a period up to one year.

#### **Maintenance of Records, Files, etc.:**

Authorised dealers should preserve the case papers duly indexed in student-wise files/folders for the purpose of internal audit/inspection.

### **PART B - OTHER PURPOSES**

#### **I. Consular fees**

Remittance of visa fees and other consular collections of foreign diplomatic missions in India

#### **Documentation:**

Form A2

#### **Special Conditions:**

**Special Conditions:**

A certificate as under should be appended on form A2 by the remitting mission.

'We hereby certify that the remittance represents visa fees/other consular collections made by us and the amount for the current year is Rs..... The remittance during the previous year viz..... aggregated Rs.....'

NOTE: If there is a significant increase in the amount to be remitted as compared to the previous year, a certificate should be submitted to the Reserve Bank by the authorised dealer after ascertaining the reasons for the increase.

**II A. Casual (Gift) Remittances**

Gift remittance to persons residing abroad

**Documentation:**

Form A2 and a declaration as under:

'I hereby declare that including the remittance of (currency and amount) ..... now applied for, I have not remitted to (Name of the beneficiary) .....aggregate amount exceeding the prescribed limit of US \$ 1,000 in the calendar year .....

Signature.....

Name of the applicant.....

Address: .....

Place .....

Date .....

**Quantum of exchange:**

Upto U.S.\$ 1,000 per calendar year per person/corporate for each beneficiary.

## **B. Maintenance Expenses Abroad**

Maintenance expenses to close relatives namely son / daughter / father / mother / brother / sister / permanently residing abroad.

**Documentation** : Form REM and form A2.

**Quantum of exchange** : Up to U.S.\$ 5000 per calendar year per beneficiary by a family

## **III.A. Royalty on Books**

Royalty by Indian publishers on Reprint of foreign books and other copyright literature other than those which list for imports.

### **Documentation:**

Form BRT and form A2

### **Quantum of exchange:**

15% of Indian published price

### **Special conditions:**

- (i) Copy of Reprint Agreement concluded should be obtained
- (ii) Amount of remittance should be net of Income-tax. In case gross amount of royalty exceeds U. Chartered Accountant on form BRT should be obtained.
- (iii) Advance remittance towards royalty may be allowed up to U.S.\$ 3,000/- if provided for in the agr against actual royalty accruals.

## **Royalty on Reproduction of Audio Software**

## **III.B**

Royalty by Indian music company for reproduction of copyright music recorded by overseas compar prescribed/banned list for imports).

### **Documentation:**

- i) Form MRR and Form A2

- ii) Certified copy of Agreement
- iii) Undertaking from the remitter regarding payment of Income-tax with a certificate from the Accountant (cf.paragraph 3 B.10)
- iv) If the royalty exceeds 20% and remittance is not being made from funds held in EEFC account, the remitter should obtain specific approval from the Department of Electronics, Government of India, New Delhi.

**Special Conditions:**

- (1) Copy of Agreement for reproduction of copyright music between Indian music company and overseas remitter should be verified.
- (2) The retail sale price of the records/cassettes should be computed by deducting applicable local taxes and not less than 6.5% in case of records and CDs and 10% in case of magnetic tape cassettes from the retail price of records/cassettes.
- (3) Where the rate of royalty exceeds 20%, remittance may be allowed on verification of approval from the Department of Electronics, Government of India, New Delhi. A copy of the approval should be kept on record. This special condition applies only when the remittance is being made out of funds held in the EEFC account of the applicant.
- (4) Authorised dealers should keep a systematic record of the remittances allowed alongwith declarations in support of the remittances available to their Internal Auditors/Reserve Bank of India for inspection.

**Royalty on computer software imports**

**IV.**

Payment of royalty by Indian software reproducers to overseas copyright holders for reproduction of computer software

**Documentation:**

- (i) Form SRT and form A2
- (ii) Certified copy of agreement
- (iii) Undertaking/certificate regarding payment of Income-tax (cf.paragraph 3 B.10).

**Quantum of exchange:**



- (i) Up to 30 (thirty) per cent of the Indian published price.
- (ii) If there is no Indian price, it may be arrived at by converting the list price in the currency of the country of origin at the current exchange rate.
- (iii) If the royalty exceeds 30 per cent, the applicant may be advised to obtain specific approval from the Government of India. Remittance may thereafter be allowed in accordance with the terms applicable to the country of origin.

**Special conditions:**

- (i) Authorised dealer should ensure with reference to documentary evidence that the amount of royalty does not exceed the terms and conditions set out in the agreement.
- (ii) Applicant may be advised to obtain permission from the Department of Electronics, Government of India.
- (iii) While allowing first remittance towards royalty under the agreement, applicant should be advised that subsequent remittances should also be made through the same branch of the authorised dealer.
- (iv) Advance remittance of royalty on duplication of software should not be allowed without specific permission from the Reserve Bank.
- (v) Form SRT and Form A2 should be sent to Reserve Bank with the R Return.

**Other Remittances**

**V.**

Remittances towards cost of services including subscription to newspapers,

magazines, etc. rendered/supplied by overseas parties to individuals, firms, companies or organisations in India. Specific provisions e.g., agency commission on exports, advertisements on overseas TV media, etc. Authorised dealers may allow reimbursement/remittance against claims received towards subscriptions to for and access fee for Internet related services through Websites based abroad on behalf of ICC holders.

**Documentation:**

Form A2 and original invoice/bill/debit note, etc. from the overseas company/organisation indicating type/amount of services supplied to the applicant.

**Quantum of Exchange:**

Upto U.S. \$ 25,000.

**Special Conditions:**

- i) The applicant is a customer of the authorised dealer and the latter is satisfied about the bona fide services supplied.
- ii) Subscription to (a) magazines, etc. which are on the proscribed/banned list and (b) football pools should not be allowed.
- iii) Remittances towards call back services provided by the overseas communication organisations in India should be permitted only if the applicant is authorised/licensed by the Department of Telecommunications. However, remittances should not be allowed to organisations which have been permitted by the Department to provide only information services on marketing etc. on collect call basis.
- iv) Certified copy of the documentary evidence in support of the remittance alongwith form A2 submitted by the Bank with R Returns.
- (v) In case the applicants are not regular customers of an authorised dealer, remittance of exchange (not exceeding one thousand) per transaction may be allowed provided authorised dealer is satisfied with the bona fide application of applicant/remittance.
- (vi) Authorised dealers may allow remittance towards consultancy fees to overseas agencies engaged by the applications of Indians for emigration to the concerned country subject to verification of suitability and support of payment.

## **VI. Donations:**

Remittance of donations by residents to Charitable/educational/religious/cultural organisations abroad.

### **Documentation:**

Letter in duplicate with documentary evidence such as brochure indicating the name, address and activities of the organisation, services offered etc. and purpose/s for making gifts/donations.

### **Quantum of Exchange:**

Up to U.S.\$ 1000 in a calendar year per person.

### **Donation for Victims of Calamities abroad**

## **VI. A.**

Remittance towards donations collected in India for relief to victims of calamities like floods, earthquakes etc. abroad affiliated to inter governmental bodies like United Nations without any ceiling.

### **Documentation**

Letter in duplicate with documentary evidence such as brochure indicating the name, address and activities of the organisation.

services offered etc. and purpose/s for making donations.

## **VII. Electronic Data-base costs**

Remittance of **actual charges** payable towards data-base costs, computer connect/time charges, software charges, hi charges, downloading of information from internet, etc.

### **Documentation:**

- a) Form A2
- b) Invoice or debit notes from the overseas data-base centres

### **Special Condition:**

Certified copy of the documentary evidence in support of the remittance alongwith form A2 should be forwarded to Reserve Bank with R Returns.

**NOTE:** A) *Foreign banks operating in India and desirous of remitting proportionate expenditure on electronic data base costs incurred by their Head Offices, may make such remittances to the latter, on the basis of a copy of invoice raised by the service provider indicating details of proportionate bifurcation of such charges to be paid by the Indian branches of the bank concerned, provided approval from Department of Banking Operations and Development, Reserve Bank of India, Central Office, Mumbai for the arrangement has been obtained.*

B) *Remittance upto U.S.\$ 250 or its equivalent may be allowed by authorised dealers if the applicant is not in a position to produce documentary evidence such as invoice or debit note from the overseas company provided they are satisfied about bona fides of the applicant/remittance.*

## **VIII. Claims against Indian Tour Operator/Travel Agent**

### **Documentation**

Letter in duplicate from the Indian Tour Operator/Travel Agent indicating total tour cost in respect of which the claim is made with documentary evidence indicating details of receipt of advance payment for individual/group tour and operator seeking the claim and indicating reasons therefor.

### **Quantum of Exchange**

For individual or group tours\_\_Up to 10% of the tour cost or U.S.\$ 5,000 whichever is higher.

### **Advertisements in Print Media Abroad or on Internet**

## IX.

Remittance of the actual cost of advertisements in print media abroad such as overseas newspapers/firms/companies/organisations as well as banks/financial institutions in India.

### **Documentation**

- (a) Form A2
- (b) Invoice/bill from the overseas publisher
- (c) Clippings of the advertisements
- (d) Undertaking/certificate regarding payment of income-tax (cf. paragraph 3 B.10)
- (e) In the case of advertisements released by State Government Departments / undertakings approved by the Ministry of Finance (Department of Economic Affairs), Government of India, New Delhi should be called for.

### **Special condition:**

Certified copy of the documentary evidence i.e. invoice/bill in support of the remittance alongwith form A2 should be submitted to the Bank with R Returns.

NOTE:

### **Maintenance/Annual Services Charges for Imported Machinery/Software**

## X.

Remittance for providing maintenance/support services for imported machinery or softwares, by overseas company.

### **Documentation:**

- (a)
- (b) Original invoice from the overseas company indicating the amount of charges, nature of service provided, machinery/equipment/software imported.
- (c) Copy of the relative contract/agreement specifying the terms of payment and providing maintenance/support services for imported machinery/software.

- (d) Undertaking/certificate regarding payment of Income-tax (cf.paragraph 3 B.10).

**Special conditions**

Authorised dealers should ensure that the machinery/equipment/software has been actually imported appropriate documentary evidence. Certified copy of the documentary evidence in support of the remittance forwarded to Reserve Bank with R Returns.

**XI (A). Feasibility/Pre-feasibility Studies for Projects in India**

Remittance of charges for conducting Feasibility/Pre-feasibility studies, for projects to be set up in India, to over

**Documentation**

- (a) Form A2.
- (b) Original invoice from the overseas company indicating the nature of services rendered.
- (c) Certified copy of contract specifying the terms of payment.
- (d) Undertaking/certificate regarding payment of Income-tax (cf.paragraph 3 B.10).
- (e) An undertaking from the applicants that they have complied with the provisions of Research and if applicable.

**Special Conditions**

Authorised dealers should obtain a confirmation from the applicant company that the relative stud it and certified copy of the documentary evidence in support of remittance alongwith form A2 sh Bank with R Returns.

***XI(B). Architectural services provided by foreign architects***

*Remittance of charges for architectural services provided by foreign architects to Indian companies engaged in development c real estate and housing in India subject to the documents and special condition enumerated under item XI(A) above.*

**Quantum of Exchange**

*Up to U.S.\$ 1,00,000.*

**XI (C). Feasibility studies for Projects Abroad**

Remittances to overseas consultancy organisations for conducting feasibility/pre-feasibility studies for pro Indian companies in respect of their proposed joint venture/wholly owned subsidiary abroad.

**Documentation**

- a) Form A2
- b) Certified copy of contract specifying the terms of payment.
- c) Invoice from the overseas consultancy organisation indicating the nature of and charges for the fee.
- d) Applicant's Undertaking and Accountant's Certificate regarding payment of income-tax in the prescribed form.
- e) A declaration from the applicant that the assignment for which payment is being made has been completed.

**Quantum of Exchange**

Upto U.S. \$ 100,000.

NOTE : For remittance in excess of U.S. \$ 100,000, please see instructions contained in paragraph 10.1.

*A.D.(M.A. Series) Circular No.48 \_A.D.(M.A. Series) Circular No.48 - Slip 5*

**XII. Training/Coaching Expenses for Sports Activities**

Indian sportspersons undertaking training in sport activities abroad or engagement of overseas coaches/trainers for Indian sportspersons in India.

**Documentation:**

- (a) Form A2
- (b) For undertaking training abroad
  - (i) Letter (in duplicate) giving particulars such as name, address of the applicant, country, place, nature of sport activity proposed to be undertaken.
  - (ii) Letter of invitation/offer from the overseas party indicating inter alia, the nature of sport activity and the exchange required.
- (c) For engagement of overseas coaches/trainers
  - (i) Original contract/agreement/correspondence with overseas coaches/trainers with two certified copies.

- (ii) Original invoice from the overseas party with two certified copies thereof.
- (iii) Undertaking/certificate regarding payment of Income-tax (cf. paragraph 3 B.10)

### **Special Condition**

Certified copy of the documentary evidence in support of the remittance alongwith form A2 should be forwarded with Returns.

### **Quantum of exchange:**

Actuals as indicated in the letter of invitation/offer.

### **XIII. Remittance of Prize, Sponsorship Money for Sports Documentation**

- . Form A2
- . Letter (in duplicate) from the applicant giving particulars of nature of sport activity, name and address of the overseas party/Indian sponsorer, amount of foreign exchange required.
- . Letter of offer or Memorandum of Understanding or Agreement entered into for the relevant sport activity and foreign exchange required.

#### **Quantum of Exchange**

- . Upto U.S.\$ 100,000 (U.S. dollars one lakh) or its equivalent if the applicant is a recognised International/National/State level sports body.
- . Upto U.S.\$ 25,000, in each case, in respect of cases not covered by (a) above.
- .

### **Special conditions**

Certified copies of the documentary evidence submitted in support of the remittance should be retained by authorised dealer for audit/inspection.

**NOTE:** Requests for release of foreign exchange in excess of U.S.\$ 100,000 or U.S.\$ 25,000, as \_the case may be, may be referred to Reserve Bank.

### **XIV. Fees for ISO Certification**

Authorised dealers may allow remittances towards fees payable for ISO certification for products of Indian firms

#### **Documentation**

- (i) Form A2

- (ii) Invoice from the overseas accredited agency indicating details of product(s), fees payable for ISO c

**Quantum of Exchange:**

Actuals as per invoice.

**NOTE:** *Authorised dealers should, however, ensure that in case the overseas accredited agency i services of Indian firm/company to conduct the survey/inspection, the latter has been/wor accredited agency in foreign exchange through normal banking channel for the services rendered*

**XIVA. Registration of Patents/Trade Marks**

*Authorised dealers may allow remittances towards registration charges payable to overseas Governments/Regulator Authorities/International Organisations for registration of Patents/Trade Marks.*

**Documentation**

(i) Form A2

(ii) *Invoice/Documents from the overseas registering authorities indicating charges payable for registration or renewal o registration of Patent/Trade Mark.*

**Quantum of Exchange**

Actuals as per invoice/documents.

**Other Sundry Remittances**

**XV.**

Authorised dealers may allow the following types of remittances on production of appropriate documentary each item.

Type of remittance	Documentary evidence
i) Remittance by Indian courts the in connection with execution of commission/letters of request.	Court order indicating amount of remittar
ii) Remittance of alimony	Court order indicating the amount of alim
iii) Remittance of lease/rental charges for hiring web-spacea) from foreign web servers and E-mail service providers	Invoice from the overseas benefi
	b) Applicant's undertaking and Acc payment of Income tax in the pre



(iv)	Remittance of sale proceeds of imported cars sold by foreign diplomats/missions of State Trading Corporation of India (STC)	Letter from STC in support of the sale pr
v)	Remittance of sale proceeds of imported cars sold by diplomats/missions in India to another diplomat	a) Documentary evidence in support b) Documentary evidence to show purchaser was made out of foreign exchange or out of remitt
vi)	Remittance of net amount of bonus to Indian employees posted abroad by Indian firms/companies	a) Documentary evidence in support b) Applicant's undertaking and Acc payment of income-tax in the pre
vii)	Remittance for import of Prototypes developed abroad	Invoice from the overseas company correspondence exchanged

**Annexure IA**

*F.No.18/1/97.B.O.I.\_Government of India\_Ministry of Finance\_Department of Economic Affairs\_(Banking Division)*

*Jeevan Deep Building,\_Sansad Marg,\_New Delhi-110 001,\_Dated the 11, December, 1997*

To,

- |                                                                                                          |                                                                        |
|----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| 1. Chairman/Managing Directors_State Bank of India,_Central Office, Mumbai.                              | 4. Managing Director,_Export-Import Mumbai.                            |
| 2. Chairman, _Industrial Development Bank of India,_Head Office, Mumbai.                                 | 5. Chairman and Managing Director, Office, New Delhi.                  |
| 3. Chairman/Managing Director,_National Bank for Agriculture and Rural Development,_Head Office, Mumbai. | 6. Chairman and Managing Director, _India Ltd.,_Head Office, Calcutta. |
|                                                                                                          | 7. Chairmen and Managing Directors Nationalised Banks                  |

**Subject:- Foreign visits by the wholetime directors of public \_sector banks and financial institutions**

Sir,

*As per the existing terms and conditions of appointment issued by the Government of India wholetime directors of public secto banks and financial institutions are required to obtain prior permission of the Government for undertaking any visit abroad fo*

official purpose. Such visits are undertaken for reviewing the operations/performance of the banks' overseas branches/offices attending seminars, conferences, workshops, meetings of World Bank/IMF/ADB and other international bodies, meeting the foreign correspondent banks, overseas clients, promotion of public issue etc. A copy of such requests is to be sent to Reserve Bank of India. On return from such visits they are required to submit a report on the foreign tour to the Central Government and Reserve Bank of India. However, in the event of their personal visit abroad, prior intimation only is required to be sent to the Government.

2. The matter has been reconsidered by the Central Government in the context of granting more autonomy to the public sector banks and financial institutions. It has now been decided that prior approval of the Central Government would not be required for foreign visits for periods (excluding travel time) as indicated below:

Category of post(s)	Banks having more than 10 branches/offices abroad	Banks having 10 or less branches/offices abroad
a) I) Chairman, State Bank of India	20 days in a calendar year	10 days in a calendar year
II) Chairmen and Managing Directors of nationalized banks		
b) I) Managing Directors, State Bank of India	10 days in a calendar year	5 days in a calendar year
Executive Directors of nationalized banks (with the approval of Chairman/CMD)		
II)		

In the case of the wholesome directors of financial institutions, prior approval of the Central Government would not be required for such foreign visits as indicated below:-

a) I) Chairman and Managing Director, Industrial Development Bank of India	15 days
II) Chairman, National Bank for Agriculture and Rural Development	
III) Chairman and Managing Director, National Housing Bank	
IV) Chairman and Managing Director, Industrial Investment Bank of India Ltd.	
V) Managing Director, Export-Import Bank of India	
b) Managing Director, National Bank for Agriculture and Rural Development (with the approval of Chairman)	8 days

3. The above wholetime directors shall keep their Board of Directors, Central Government and Reserve Bank of India informed of their visits which are within the above prescribed limits. Prior to undertaking the visits during Parliament session, it may be ensured that prior intimation is sent to Government at least 10 days in advance. In cases where it is proposed to undertake any foreign visit in excess of the above

prescribed limits, prior permission of the Central Government as hitherto may be obtained. In regard to leave during foreign visits and the wholetime directors being accompanied by their spouses during such visits the existing instructions shall apply.

4. The receipt of this letter may kindly be acknowledged.

Yours faithfully, Sd/- (Sudhir Shrivastava)\_Director