

**Exchange Control  
OCTOBER 2001**

**1. Deferred Payments Protocols dated April 30, 1981 and December 23, 1985 between the Government of India and erstwhile U.S.S.R.**

The rupee value of the special currency basket effective from September 20, 2001 has been fixed at Rs. 54.0356.

**2. Settlement of insurance claims in foreign currency.**

Request for issue of general insurance policies in foreign currency other than those covered by the provisions of GIM are required to be referred to the Reserve Bank. Approvals are granted by the Reserve Bank on merits of the case and insurance companies are permitted to issue policies denominated in foreign currency and receive premium in foreign currency. Settlement of claims in foreign currency in respect of such policies can now be permitted by insurance companies subject to the following conditions :

- i) the policy has been issued in foreign currency with specific approval of RBI;
- ii) the claim has been made for the loss occurred during the policy period;
- iii) the claim has been admitted by the competent authority of the insurance company;
- iv) the claim has been settled as per the surveyors report and other substantiating documents;
- v) claims on account of reinsurance are being lodged with the reinsureres and will be received as per reinsurance agreement;
- vi) the remittance is being made to the non-resident beneficiary under the policy. For resident beneficiaries the claim may be settled in Rupee equivalent of foreign currency due. Under no circumstances payment in foreign currency be made to a resident beneficiary; and
- vii) while reporting the transaction in R>Returns RBI approval for issue of policy may be quoted.

Authorised Dealers have accordingly been allowed to make remittances towards settlement of claims subject to compliance of the conditions stipulated above.

**3. Export of Goods and Services -Certification of SOFTEX Forms**

In terms of Regulation 6 of the Reserve Bank Notification No. FEMA 23/2000-RB dated May 3, 2000, as amended by the Notification No.FEMA 36/ 2001-RB dated February 2, 2001, designated officials of Ministry of Information Technology, Government of India at the Software Technology Parks of India (STPIs) or at Free Trade Zones (FTZs) or Export Processing Zones (EPZs) or Special Economic Zones (SEZs) have been authorised to certify exports declared on SOFTEX forms by the units located in STPIs/EPZs/ SEZs. In terms of the Exim Policy designated officials of STPIs/SEZs may also certify the SOFTEX Forms in respect of EOUs which are registered with them.

Accordingly, EOU software exporters may approach the designated officials of

STPIs/EPZs/SEZs where they are registered, for certification of software exports on SOFTEX Forms.