

Exchange Control - February 1999

1. Revised Export Procedure

On introduction of EDI at certain custom offices in respect of certain categories of shipping bills processed electronically, the existing export declaration form viz., GR Form will be replaced by EC copy of shipping bill and a declaration in form SDF appended thereto. This procedure would come into effect on issue of a Public Notice to that effect by the concerned customs offices. Some offices of the Commissioner of Customs have already issued the Public Notices in this regard. Ministry of finance vide their Notification dated 23rd December, 1998 have amended Rule 6 of the FERA Rules, 1974 providing for the above arrangement.

2. Released of Foreign Currency Travellers Cheques and Notes to Master/Captain of the Ship against Inward Remittances

Authorised dealers were required to obtain the permission of Reserve bank of provide foreign currency notes/travellers cheques to the Master/Captain of a foreign ship for making payments to the members of the crew on board against the remittance received in the name of the Master/Captain. It has been decided that the authorised dealers through whom the remittance has been received, may, on proper identification with reference to the passport of the Master/Captain, provide foreign currency travellers cheques in the name of Master/Captain of the ship and/or foreign currency notes for meeting the local expenses and/or making payment to members of the crew on board. Foreign currency travellers cheques/notes should, however, not be made available to the Master/Captain of foreign ship where the remittance has been received in favour of the local agent of the shipping company.

3. Remittance of Magazine Subscription by Recognised Agents

Authorised dealers were permitted to allow remittance of subscription to foreign magazines by Indian agents subject to certain conditions one of them being the submission of a certificate from a Chartered Accountant as to how the remittable amount has been arrived at, net of commission, handling charges, etc. It has now been decided to dispense with the requirement of submission of a Chartered Accountant's certificate. Authorised dealers should, however, ensure with reference to invoices/price lists, agreements between the publisher and Indian agent etc., that the amount of remittance applied for represents the net amount of subscription after deduction of agent's commission, handling charges etc.

4. Simplification of Forms

With a view to simplifying the procedures, the following forms have been revised.

- (i) TRM-1 Release of exchange for medical treatment abroad.
- (ii) TRM-2 Release of exchange for medical treatment abroad for those who had already

proceeded abroad for business.

(iii) REM Remittance towards maintenance of close relative abroad.

Further, henceforth remittances towards gifts to close relatives/ friends residing abroad may be allowed by authorised dealers against a simple declaration that the aggregate amount of remittances already made/applied for does not exceed the prescribed ceiling in the relevant calendar year. Application in REM form is not necessary in such cases.