

Foreign Exchange Management Act, 1999 –Returns and Statements
A.P. (DIR Series) Circular No.23 (December 30, 2000)

RESERVE BANK OF INDIA
EXCHANGE CONTROL DEPARTMENT
CENTRAL OFFICE
MUMBAI-400 001

A.P. (DIR Series) Circular No.23

December 30, 2000

To

All Authorised Dealers in Foreign Exchange

Dear Sirs,

Foreign Exchange Management Act, 1999 –
Returns and Statements

Attention of authorised dealers is invited to paragraph 3 of A.D.(M.A. Series) Circular No.11 dated May 16, 2000, advising them to be guided by the provisions of the Exchange Control Manual (1993 edition) regarding matters listed in Annexure V of the circular, pending issue of further instructions. Accordingly, submission of “Returns and Statements” is guided by the provisions contained in Chapter 16 of the Manual.

2. In terms of paragraph 15(x) of the “Guide to authorised dealers for compilation of R Returns”, a Supplementary statement of receipts, for purposes other than exports, involving amounts equivalent to Rs.1,00,000 and above is required to be submitted with the R Return. It has now been decided that the cut-off limit of Rs.1,00,000 be raised to US\$10,000. Accordingly, the **“Supplementary Statement of non-export Receipts”** to be enclosed with R Returns for the fortnight **ending January 15, 2001 onwards, may be submitted for receipts equivalent to US\$10,000 and above.**

3. Where the amount of inward remittance exceeds US\$10,000 or its equivalent, the purpose of remittance, i.e. whether it represents transfer of capital, savings, gift, profit, dividend etc. should be ascertained and reported in the supplementary statement. The **payment should not be delayed** for want of this information which may be obtained separately and furnished to the Reserve Bank later.

4. With a view to ensuring that credits to customers’ accounts for non-trade related inward remittances are given promptly, it has been decided that Internal Auditors/Inspectors of authorised dealers should certify that the credits to beneficiaries’ accounts in case of personal remittances from outside India have been given promptly by the branch; and in accordance with the prescribed rules and regulations.

5. The directions contained in this circular have been issued under Section 10(4) and Section 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999). Any contravention or non-observance of these directions is subject to the penalties prescribed under the Act.

Yours faithfully,
K.J. UDESHI
Chief General Manager