

**Export of goods & services –  
Extension of period of realisation  
A.P.(DIR Series) Circular No.20 (January 28, 2002)**

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

A.P.(DIR Series) Circular No.20

January 28, 2002

To,

All Authorised Dealers in Foreign Exchange

Dear Sirs/Madam,

**Export of goods & services –  
Extension of period of realisation**

Attention of all Authorised Dealers is invited to paragraph C.15 of A.P.(DIR Series) Circular No. 12 dated September 9, 2000, in terms of which cases where an exporter has not been able to realise proceeds of shipment within the prescribed period (i.e. within six months from the date of exports), for reasons beyond his control, the exporter is required to apply to Reserve Bank in form ETX for extension of period of realisation. It has now been decided that, without any reference to Reserve Bank, authorised dealer that has handled export documents may extend, after obtaining an application from the exporter, the period of realisation beyond six months from the date of export, where invoice value does not exceed US\$ 1,00,000 subject to the following conditions:

- i) the authorised dealer is satisfied that the exporter has not been able to realise export proceeds for reasons beyond his control;
  - ii) the exporter submits a declaration that he will realise the export proceeds during the extended period;
  - iii) the extension may be granted upto a period of 3 months at a time and while considering the extension beyond one year from the date of export the total export outstandings of the exporter should not be more than 10% of the average of export realisations during the preceding three financial years.
2. The ceiling of US \$ 1,00,000 would not apply where the exporter has filed suits against the importer abroad. In such cases extension may be granted upto six months at a time, irrespective of the amount involved.

3. Cases which are not covered by the above instructions including the undernoted cases would require prior approval from the Regional Office of the Reserve Bank.

- i) where the export invoices are under investigation by Enforcement Directorate/ Central Bureau of Investigation or other investigating agencies.
- ii) where invoice value exceeds US \$ 1,00,000 (except in cases covered under paragraph 2 above).

4. All the export bills outstanding beyond six months from the date of export may be reported in XOS statement as usual. However, where extension of time has been granted by authorised dealer, the date upto which extension has been granted may be indicated in the 'Remarks' column.

5. Authorised Dealers may bring the contents of this circular to the notice of their constituents concerned.

6. The directions contained in the circular have been issued under Section 10(4) and Section 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999).

Yours faithfully,

**Grace Koshie**

Chief General Manager