

Evidence of Import – Liberalisation
A.P.(DIR Series) Circular No.9 (Aug 18, 2003)

Reserve Bank of India
Exchange Control Department
Central Office
Mumbai- 400 001

A.P.(DIR Series) Circular No.9

August 18, 2003

To

All Authorised Dealers in Foreign Exchange

Madam/Sirs,

Evidence of Import – Liberalisation

Attention of authorised dealers is invited to paragraph A10.1(i) of the Annexure to A.P (DIR Series) Circular No.106 dated June 19, 2003 in terms of which, it is obligatory on the part of the authorised dealers making import remittance to ensure that the importer submits the documentary evidence of import if the value of foreign exchange remitted/paid for import into India exceeds USD 25,000 or its equivalent.

2. On a review of the position and against the background of extant “Know Your Customer” Guidelines, it is decided to enhance the limit of USD 25000 prescribed in paragraph A10.1(i) referred to above to USD 100,000 (USD one hundred thousand) for all imports made into India. Consequently, authorised dealers should ensure rigorous follow-up for non-submission of documentary evidence, as prescribed in paragraph A.11(i) of the Annexure to the aforementioned circular, for import remittances exceeding USD 100,000. Further, the authorised dealers should henceforth forward to Reserve Bank of India details of only those import transactions exceeding USD 100,000 in Form BEF in terms of paragraph A.11(ii) of the circular *ibid*.

3. Attention of authorised dealers is also invited to paragraph A10.2(i) of the Annexure to the aforementioned circular in terms of which authorised dealers may accept either Exchange Control copy of Bill of Entry for home consumption or a certificate from the Chief Executive Officer (CEO) or Auditor of the company that the goods for which remittance was made have actually been imported into India provided the amount of foreign exchange remitted is less than USD 100,000 or its equivalent. It has now been decided to enhance the said amount of USD 100,000 to USD 1,000,000 (USD one million).

4. Authorised Dealers may bring the contents of this Circular to the notice of their constituents concerned.

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)

Yours faithfully,
Grace Koshie
Chief General Manager