

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

A.P.(DIR Series) Circular No. 55

December 23, 2003

To

All Authorised Dealers in Foreign Exchange

Madam/Sirs,

**Release of Foreign Exchange for Miscellaneous Remittances**

Attention of Authorised Dealers is drawn to A.P.(DIR Series) Circular No 16 dated September 12, 2002. In terms of this circular, Authorised Dealers were advised to release amounts up to USD 500 or its equivalent for all permissible transactions on the basis of a simple letter from the applicant containing the basic information, viz., names and the addresses of the applicant and the beneficiary, amount to be remitted and the purpose of remittance. It was clarified in the circular that Authorised Dealers need not insist upon submission of A2 Forms in such cases.

2. With a view to further liberalizing the availability of foreign exchange to residents, the limit for foreign exchange remittance for miscellaneous purposes without documentation formalities, has been raised from USD 500 to USD 5000 with immediate effect.

3. It is clarified that Authorised Dealers need not obtain any document, including Form A-2, except a simple letter as stated above as long as the exchange is being purchased for a current account transaction (not included in the Schedules I and II of Government Notification on Current Account Transactions), and the amount does not exceed USD 5000 or its equivalent and the payment is made by a cheque drawn on the applicant's bank account or by a Demand Draft.

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,

**F.R.Joseph**

Chief General Manager