

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

RBI/2004/35
A.P.(DIR Series) Circular No.61

January 31, 2004

To

All Authorised Dealers in Foreign Exchange

Madam / Sirs,

**Exemption from Declaration of Export
of Goods and Software**

Attention of Authorised Dealers is invited to Regulation 3 of Notification No. FEMA 23/2000-RB dated May 3, 2000, in terms of which every exporter of goods or software in physical form or through any other form shall furnish a Declaration in GR/SDF/PP/Softex form affirming that the full export value of goods or the software has been or will be paid in the specified manner. Further, vide clause (d) of Regulation 4 ibid, submission of this Declaration is waived if the exporter declares that the goods/software is not more than Rs.25,000/- in value.

2. With a view to further liberalising and simplifying the procedures for exporters, the above limit has been revised to **USD 25,000** and accordingly it has been decided **to waive the submission of Declaration in Form GR/SDF/PP/SOFTEX in respect of export of goods and software of value not exceeding USD 25,000 or its equivalent.** The exporters shall, however, be liable to realise the amount of foreign exchange, which becomes due or accrues on account of such exports, and to repatriate the same to India in accordance with the provisions of FEMA Regulations.

3. In this connection, the Authorised Dealers are advised to exercise caution in dealing with inward remittances by ensuring adherence to the 'Know Your Customer' (KYC) norms and fully satisfy themselves about the source of funds before certifying the proceeds as export receipts for different purposes.

4. The upward revision in the limit for mandatory submission of the Declaration will come into force from **April 1, 2004**.
5. The Authorised Dealers may please note that all outstanding exports of value up to USD 25000 or its equivalent shall not be reported in the XOS half yearly statements falling due on 31 December 2004 and thereafter.
6. Necessary amendments to the Foreign Exchange Management (Export of Goods and Services) Regulations, 2000, vide Notification No.FEMA 23/2000-RB dated May 3, 2000, are being notified separately.
7. Authorised Dealers may bring the contents of this circular to the notice of their constituents concerned.
8. The directions contained in this circular have been issued under Sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999).

Yours faithfully,

Grace Koshie

Chief General Manager