



RESERVE BANK OF INDIA
Foreign Exchange Department
Central Office
Mumbai - 400 001

RBI/2004-05/264
A.P. (DIR Series) Circular No. 25

November 1, 2004

To

All Banks Authorised to Deal in Foreign Exchange

Madam / Sirs,

Export of Goods and Services
Period of Realisation for Export Oriented Units (EOUs)

Attention of Authorised Dealer (AD) banks is invited to the proviso 3 of sub-regulation (1) of Regulation 9 of Notification No. FEMA 23/2000-RB dated May 3, 2000 in terms of which the Reserve Bank has been empowered to extend the period for realisation and repatriation of export proceeds to India beyond six months.

2. Following the announcement by the Government in the Foreign Trade Policy in September 2004, it has been decided that 100 per cent Export Oriented Units (EOUs) and units set up under the Electronics Hardware Technology Parks (EHTPs), Software Technology Parks (STPs) and Bio-Technology Parks (BTPs) Schemes would be allowed to realise and repatriate the full value of export proceeds within a period of twelve months from the date of export.

3. The existing guidelines relating to 100 per cent credit of foreign exchange earnings to EEFC account by the above units would continue as hitherto.

4. This relaxation will be available in respect of exports made on or after September 1, 2004.

5. Authorised Dealer banks may bring the contents of this circular to the notice of their constituents and customers.

6. The direction contained in this circular has been issued under Sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and is without prejudice to permissions/approvals, if any, required under any other law.

Yours faithfully

F. R. Joseph
Chief General Manager