

**April 21, 2006**

To

**All Banks Authorised to Deal in Foreign Exchange**

Madam / Sirs,

**Export of Goods and Services – Extension of period of realization**

Attention of Authorised Dealer (AD) banks is invited to AP(DIR Series) Circular No.20 dated January 28, 2002, in terms of which AD banks have been permitted to grant extension of time for realization of export proceeds beyond the prescribed period from the date of export, where invoice value does not exceed US\$ 100,000 subject to the conditions prescribed therein.

2. As a measure of further liberalization, it has now been decided to increase the invoice value limit to US\$ 1 million from **existing** US\$ 100,000 with immediate effect. Accordingly, AD banks may henceforth grant extension of time for realization of export proceeds beyond prescribed period from the date of export up to the invoice value of US\$ 1 million subject to **existing** terms and conditions.

3. AD banks may bring the contents of this Circular to the notice of their constituents concerned.

4. The directions contained in the Circular have been issued under Section 10(4) and Section 11(1) of Foreign Exchange Management Act, 1999 (42 of 1999) and without prejudice to permissions/approvals, if any, required under any other law.

Yours faithfully,

**(M. Sebastian)**  
Chief General Manager