



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

RBI/2009-10/175
A.P. (DIR Series) Circular No.10

October 5, 2009

To

All Authorised Dealer Category - I Banks

Madam / Sir,

Foreign Exchange Management Act, 1999 –
Advance Remittance for import of Services

Attention of Authorised Dealer Category-I (AD Category-I) banks is invited to [A.P. \(DIR Series\) Circular No. 15](#) dated September 8, 2008, in terms of which the limit for advance remittance for all admissible current account transactions for import of services without bank guarantee was raised from USD 100,000 to USD 500,000 or its equivalent.

2. It is clarified that the increase in the limit for advance remittance for all admissible current account transactions for import of services without bank guarantee is not applicable for a Public Sector Company or a Department/ Undertaking of the Government of India/ State Governments.

3. In the case of a Public Sector Company or a Department/ Undertaking of the Government of India/ State Governments, approval from the Ministry of Finance, Government of India for advance remittance for import of services without bank guarantee for an amount exceeding USD 100,000 (USD One hundred thousand) or its equivalent would continue to be required.

4. All other terms and conditions specified in A.P. (DIR Series) Circular No. 15 dated September 8, 2008, shall remain unchanged.

5. AD – Category I banks may bring the contents of this circular to the notice of their constituents and customers concerned.

6. The directions contained in this Circular have been issued under Section 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,

(Salim Gangadharan)

Chief General Manager-in-Charge