

GENERAL GUIDELINES

1. Documents needed for release of foreign exchange:-

- a) A valid passport
- b) A confirmed air ticket or CRS printout
- c) Form A2 where applicable.
- d) Application cum Declaration
- e) Specific documentation relating to each type of sale
- f) TC Sales Advice, Draft , TT , Travel Currency card application.

2. Mode of release of foreign exchange:-

- a) Maximum of US\$ 3,000 or eqv. in currency notes **per trip** barring exceptions in b) and c)
- b) For travel to Iraq or Libya upto US\$ 5,000 or eqv. can be released in currency notes
- c) For travel to Iran, Russia & CIS countries the entire entitlement can be released in CN.

d) FX can be purchased in a combination of Currency Notes, TCs, Demand Draft, Telegraphic Transfer and Travel Currency Card.

3. In cases where the remittances are allowed on the basis of self declaration, the onus of furnishing the correct details in the application, will remain with the applicant who has certified the details relating to the purpose of the remittance.

4. Mode of Payment : -

a) Cash payment may be accepted if the value of the transaction does not exceed Rs 50,000.

b) For amounts exceeding Rs 50,000 **the entire value including the amount below Rs 50,000 must be paid for by Demand Drafts/ Bankers Cheque/ Pay Order or Cheque** (subject to realization before handing over of value)

c) If foreign exchange released in certain cases as mentioned in this Manual is below US\$ 5,000 or its equivalent , A2 Form and supportings need not be obtained; only the Application-cum-Declaration needs to be obtained. In these specific cases payment would have to be made by way of a Cheque (subject to realisation) / Pay Order / Demand Draft drawn on / debited to the customer's bank account. If however, the customer pays in cash (within the prescribed of Rs. 50,000) all documents ,i.e. A2 Form and supportings for the transaction have to be taken.

5. Acknowledgement of receipt of Foreign Exchange :-

a) All staff deputed to deliver/ pickup forex should carry a general Authorization letter, copy of their ID and the latest copy of our RBI license.

b) The customer should sign our Sales Receipt voucher which details all the products sold or a copy of the voucher in acknowledgement for receiving the forex. This should be kept on record.

6. Forex can also be released to corporates against an advance credit or subsequent debit to their Exchange Earners Foreign Currency Account (EEFC) provided we enter into a prior agreement with the corporate setting out the terms & conditions.

7. Foreign exchange can be purchased up to 60 days prior to departure.

8. Unspent forex exceeding US \$ 2,000 or its equivalent should be surrendered to an Authorised Person within 180 days of return from abroad.

9. Indian residents proceeding abroad may carry with them upto Rs. 7,500 in INR currency (in denominations of Rs. 100 & below) for meeting immediate expenses on return to India.

Certain important features of RFC and RFC (D) accounts are given below :-

Resident Foreign Currency (RFC) Account

1. A person resident in India may maintain an RFC out of foreign exchange -

a) received as pension or any superannuation or other monetary benefits from his employer outside India;

b) remittances out of funds held in bank accounts outside India;

c) realized on conversion of assets acquired, held or owned outside India by the person resident in India when he was resident outside India ;

d) received or acquired as a gift or inheritance by the person resident in India when he was resident outside India;

e) received as proceeds of life insurance policy claims, maturity proceeds, etc.

2. The funds in RFC account shall be free from all restrictions regarding utilization of foreign currency balances.

Resident Foreign Currency (Domestic) (RFC (D) Account

1. A resident Indian may maintain an RFC (D) account out of foreign exchange acquired in the form of currency notes and travellers cheques :

a) while on a visit to any place outside India as a payment for services rendered;

b) from any person not resident in India who is on a visit to India, as honorarium or gift or for services rendered or in settlement of any lawful obligation..

c) by way of honorarium or gift while on a visit to any place outside India; or

d) represents the unspent amount of foreign exchange acquired by him from an authorized person for travel abroad;

e) as gift from a close relative;

f) by way of earning of exports of goods and services, etc.

2. Debits to the account shall be for payments towards current account transactions.

3. There shall be no ceiling on the balances in the account.