

MINISTRY OF FINANCE
(Department of Economic Affairs)

NOTIFICATION
New Delhi, the 5th May, 2010

Foreign Exchange Management (Current Account Transactions)
(Amendment) Rules, 2010

G.S.R. 382(E)-In exercise of the powers conferred by Section 5 and sub-section (1) and clause (a) of sub-section (2) of Section 46 of the Foreign Exchange Management Act, 1999 (42 of 1999) and in consultation with the Reserve Bank, the Central Government, having considered it necessary in the public interest, hereby makes the following further amendment in the Foreign Exchange Management (Current Account Transactions) Rules, 2000, namely:-

1. (1) These rules may be called the Foreign Exchange Management (Current Account Transactions) (Amendment) Rules, 2010.

(2) They shall be deemed to have come into force with effect from the 16th day of December, 2009.

2. In the Foreign Exchange Management (Current Account Transactions) Rules, 2000, in Schedule II, item number 8 and the entry relating thereto shall be omitted.

Sd/-
Dr. K. P. KRISHNAN
Joint Secretary

Issued by:
Government of India
Ministry of Finance
(Department of Economic Affairs), New Delhi

[F.No. 1/1/EC/2004]

Explanatory Memorandum:- The Government of India reviewed the extant policy with regard to liberalization of foreign technology agreement and it was decided to permit, with immediate effect, payments for royalty, lump sum fee for transfer of technology and payments for use of trademark/brand name on the automatic route. Accordingly, Government of India issued a Press Note on 16.12.2009.

Hence, the rule shall be deemed to have come into force with retrospective effect, i.e., from 16.12.2009.

1. It is certified that no person will be adversely affected by giving retrospective effect to these rules.