



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

RBI/2011-12/404
A.P. (DIR Series) Circular No. 82

February 21, 2012

To

All Authorised Dealers in Foreign Exchange

Madam / Sir,

Release of Foreign Exchange for Imports – Further Liberalisation

Attention of all the Authorised Dealers (ADs) in foreign exchange is invited to the [A.P.\(DIR Series\) Circular No. 106 dated June 19, 2003](#) in terms of which applications by persons, firms and companies for making payments, exceeding USD 500 or its equivalent towards imports into India must be made in Form A-1.

2. Based on suggestions received from the various stake holders, the said limit has been reviewed and it has been decided as a measure of liberalization to raise the above limit for foreign exchange remittance towards imports without any documentation formalities, from USD 500 or its equivalent to USD 5000 or its equivalent, with immediate effect.

3. It is clarified that the ADs need not obtain any document, including Form A-1, except a simple letter from the applicant containing the basic information viz., the name and the address of the applicant, name and address of the beneficiary, amount to be remitted and the purpose of remittance, as long as the exchange being purchased is for a current account transaction (and is not included in the Schedules I and II of the Foreign Exchange Management (Current Account Transactions) Rules, 2000 framed by Government of India vide Notification No. G.S.R.381 (E) dated May 3, 2000, as amended from time to time, the amount does not exceed USD 5000 or its equivalent and the payment is made by a cheque drawn on the applicant's bank account or by a Demand Draft.

4. Authorised Dealers may bring the contents of this circular to the notice of their constituents and customers concerned.

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

Yours faithfully,

(Rashmi Fauzdar)
Chief General Manager