

**GOVERNMENT OF INDIA  
FINANCE AND COMPANY AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:3806  
ANSWERED ON:13.12.2002  
FOREIGN EXCHANGE NORMS FOR IMPORTERS  
RAMESH CHAND TOMAR;SHYAMA SINGH;SULTAN SALAHUDDIN OWAISI

**Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:**

- (a) Whether RBI has recently liberalized foreign exchange norms for importers in the country;
- (b) if so, the details in this regard;
- (c) whether the relaxation in foreign exchange norms would have any impact on our foreign exchange reserves; and
- (d) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE & COMPANY AFFAIRS (SHRI ANANDRAO V. ADSUL)

(a) & (b): Yes ,Sir. RBI has recently liberalized foreign exchange norms for importers in the country. The details are as follows:

(i) The ceiling of USD 5000 for submission of evidence of import has been enhanced to USD 25000. Further, relaxation has also been granted to companies with a minimum net worth of Rs. 100 crore and listed on the stock exchange, PSU or an undertaking of the GOI or its department to submit either exchange control copy of Bill of Entry for home consumption (evidence of import ) or a certificate from Chief Executive Officer (CEO) or Auditor of the company certifying that goods for which remittance was made have actually been imported into India. This facility is also available to autonomous bodies including scientific bodies, academic institutions, like Indian Institute of Technology (IIT), Indian Institute of Science (IIS) whose accounts are audited by Comptroller & Auditor General of India.(CAG) subject to a declaration from CEO/auditor of such institutions that their accounts are audited by CAG.

(ii) The ceiling for advance remittance without bank guarantee for imports has been enhanced from USD 25000 to USD 100,000.

(c)& (d): The measures announced are to ease procedural restrictions on import transactions from the exchange control angle. It is too early to assess the impact on the forex reserves.