



Foreign Exchange Dealers' Association of India

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SPL-28/DOCPRO/2012
8th May 2012

All Members of FEDAI

Dear Sir,

Documentation procedure followed by the member banks while undertaking current account transactions for individuals

As per suggestion of Reserve Bank of India, we had initiated the exercise of standardization of documentation procedure for undertaking current account transactions for individuals. Based on the feedback from member banks, we had prepared a list of documents for such transactions. The said list was considered in the Managing Committee on 6th January 2012 and duly approved.

The matter was thereafter referred to Reserve Bank of India for their comments. We have now received the response from RBI vide their letter no FED.CO.FID/25483/22.13.040/2011-12 dated 27th April 2012. We have incorporated suggestions made therein.

We attach the list of documents to be obtained by AD banks while undertaking current account transactions for information and necessary action. We may also mention that authorised person is required to obtain such other information from applicant and reasonably satisfy himself that the transaction is not designed to contravene or evade the provisions of FEMA.

Member banks are requested to issue suitable instructions to their branch offices and ensure strict adherence of the above stipulations.

With regards,

Chief Executive

Enclosure to SPL -28/DOCPRO/2012
8th May 2012

List of Documents for Select Current Account Transaction:

Sr. No.	Purpose	Documents Obtained
i	<p>Private Visit</p> <p>Release of Foreign Exchange :</p> <p>Upto USD 10,000 or its equivalents in one financial year for one OR more private visits</p>	<ul style="list-style-type: none"> • Application - cum Self Declaration Form (Prescribed by RBI) • A - 2 Form (not required upto USD 5,000) • FEMA Declaration • Copy of Passport with Tourist / Visit Visa • Copy of the travel ticket
ii	<p>Business Visit/International Conference/Seminar/Training</p> <p>Release of Foreign Exchange :</p> <p>Upto USD 25,000 or its equivalents per visit</p>	<ul style="list-style-type: none"> • Application - cum Self Declaration Form (Prescribed by RBI) • A - 2 Form (not required upto USD 5,000 - only simple letter) • FEMA Declaration • Sponsorship Letter from Company /Firm and / or letter of brochure for the conference/seminar/training • Copy of Passport with Business Visa • Travel Itenary, tickets
iii	<p>Employment</p> <p>Release of Foreign Exchange :</p> <p>Upto USD 100,000 or its equivalents thereof.</p>	<ul style="list-style-type: none"> • Application - cum Self Declaration Form (Prescribed by RBI) • A - 2 Form (not required upto USD 5,000) • FEMA Declaration • Copy of Passport with Employment Visa
iv	<p>Emigration</p> <p>Release of Foreign Exchange :</p> <p>USD 100,000 or its equivalents amount prescribed by the county of emigration</p>	<ul style="list-style-type: none"> • Application - cum Self Declaration Form (Prescribed by RBI) • A - 2 Form (not required upto USD 5,000) • FEMA Declaration • Copy of Passport with Emigration Visa/ Letter from Embassy

v	<p>Medical Treatment</p> <p>Release of Foreign Exchange :</p> <p>a) Upto USD 100,000 or its equivalents or</p> <p>b) Upto the estimates given by the Doctor in India or abroad, if estimate is more than USD 100,000</p>	<ul style="list-style-type: none"> • Application - cum Self Declaration Form (Prescribed by RBI) • A - 2 Form (not required upto USD 5,000 - only simple letter) • FEMA Declaration • Estimate from Overseas Hospital or local Doctor if estimate is more than USD 100,000
vi	<p>Medical Treatment - Maintenance Expenses</p> <p>Release of Foreign Exchange :</p> <p>Upto USD 25,000 or its equivalents. If attendant company patient going abroad an USD 25,000 for the attendant</p>	<ul style="list-style-type: none"> • Application - cum Self Declaration Form (Prescribed by RBI) • A - 2 Form (not required upto USD 5,000) • FEMA Declaration • Copy of Passport with Visa (Where ever applicable)
vii	<p>Education Abroad</p> <p>Release of Foreign Exchange :</p> <p>Upto USD 100,000 or the estimate from the institution abroad whichever is higher per academic year.</p>	<ul style="list-style-type: none"> • Application - cum Self Declaration Form (Prescribed by RBI) • A - 2 Form (not required upto USD 5,000) • FEMA Declaration • Admission Letter from Overseas Educational Institution
viii	<p>Remittances Under Liberalised Remittance Scheme (LRS)</p> <p>For Resident Individuals - Upto USD 200,000 per financial year.</p> <p>This is in addition to those already available for private travel, business travel and medical treatment.</p>	<ul style="list-style-type: none"> • Special Application - cum Declaration Form (Prescribed by RBI) • A- 2 Form (not required upto USD 5,000) • FEMA Declaration • Copy of PAN Card • Documentary evidence in support of declared purpose (Wherever applicable)

Note: In all the above cases, if the remittance is made out of EEFC Account or RFC Account, then the remittances exceeding the above limits are permitted / allowed. However, the utilisation of EEFC / RFC balance for current account transaction should be in accordance with Foreign Exchange Management (Current Account Transaction) Rules as prescribed from time to time.

Payment of Rupees against sale of Foreign Exchange as under:

- a) Cash upto rupee equivalent of Rs. 50,000/-
- b) If the rupee equivalent exceeds Rs. 50,000/-, it is by cheque drawn by applicant / sponsoring firm / banker's cheque