

## **RBI hikes cap for online repatriation of export proceeds**

With an aim to arrest rupee slide by boosting forex inflows, RBI today raised the limit for online repatriation of export proceeds by over three-fold to \$ 10,000 and made it mandatory for units in Special Economic Zones to repatriate full value of exports within 12 months.

The announcements come at a time the rupee has touched life time low of 58.98 against the US dollar. It has depreciated by 3.5 per cent against dollar in the last two days and by over 8 percent since April 30.

"...it has now been decided to increase the value per transaction from \$ 3,000 to \$ 10,000 for export related remittances received through OPGSPS (Online Payment Gateway Service Providers)," a RBI notification said.

Currently banks can offer facility to repatriate export related remittances through OPGSPs for export of goods and services for value not exceeding \$ 3,000 per transaction.

In a separate instruction, the RBI asked the units in SEZs to repatriate proceeds of their exports within 12 months of the outbound shipments.

"It has now been decided that the units located in SEZs shall realize and repatriate, full value of goods/software/ services, to India within a period of twelve months from the date of export," the Reserve Bank said in a notification.

Earlier, there was no time limit for realisation of exports made by units in SEZs

The instructions have come into force with immediate effect.

Exports in April stood at \$ 24.16 billion (Rs 1.31 lakh crore) as against \$ 23.7 billion in same month of 2012.

India's total export in 2012-13 had totalled \$ 300.6 billion (Rs 1635261.02 crore), of which the SEZs accounted for Rs 4.76 lakh crore.

So far, 166 zones are operational. SEZs contributed about 30 per cent to the country's overall exports. Andhra Pradesh has maximum number of operational special economic zones (38), followed by Tamil Nadu, Karnataka and Maharashtra.

*(Economic Times)*