

Revised Para 12(ii)(b)**Agriculture, Social, Infrastructure and Service Sector projects including international food chains (excluding financial sector)**

(i) The entities belonging to the above sectors may be allowed by Authorized Dealers to remit recurring payments up to 8 percent of their net local sales (after deducting sales taxes and the cost of imported items) under their respective RFT agreements. Further, entities starting new operations may be allowed an initial lump sum or one-time fee of up to USD 250,000 payable to their foreign collaborators providing RFT services. However, such a fee shall be included within the 8% of net sales limit, rather than being over and above it, and shall be adjusted over the term of the agreement, from the recurring fee payments, once the operations commence.

Permissible RFT structure for Agriculture, Social, Infrastructure and Service Sector

| Category | Lump Sum / Upfront Fee | Recurring RFT Fee | Duration of Agreement |
|---------------------|------------------------|--|-------------------------------------|
| New Operations | Up to USD 250,000* | Up to 8% of net sales (after deducting taxes & cost of imported items) | 10 years (further renewable) |
| Existing Operations | Not allowed | | |

* Requests exceeding USD 250,000/- shall be referred to the Board of Investment for a decision.

Exchange Policy Department