

India Customs Information	
Prohibited and Restricted Goods	<ul style="list-style-type: none"> ➤ Firearms, ammunition and weapons unless licensed in advance ➤ Obscene literature, photographs or films ➤ Politically undesirable literature and Narcotics
Customs Regulations	The Government of India has issued fresh guidelines with regards to the application and eligibility for employment and business visa. The new guidelines clarify, salary level, quota and the validity period for employment and business visas.
Employment and Business Visa	<p>Employment Visa: IT / IT Enabled Services:</p> <ul style="list-style-type: none"> ➤ No limit to hire number of skilled/highly skilled foreign nationals. ➤ Salary of foreign national should be in excess of USD 25000 per annum <p>Other Sectors:</p> <ul style="list-style-type: none"> ➤ Number of skilled/highly skilled foreign nationals to be hired are subject to 1% of the total workforce subject to a maximum of 20 foreign nationals. ➤ In case 1% of total workforce is less than 5, then companies can hire up to a maximum of 5 foreign nationals. ➤ No minimum salary cap is specified. ➤ Specific approval from Ministry of Labour and Employment is required if number exceeds the required limit. <p>▪ Visa may be granted for validity of up to 2 years or to the term of assignment whichever is less.</p> <p>Business Visa:</p> <ul style="list-style-type: none"> ▪ May be granted up to a maximum period of 5 years and in case of US nationals up to a maximum validity of 10 years. ▪ If the validity is less than 5 years then can be extended in India by FRRO's/FRO's/State Governments/Union Territories for a total duration of 5 years from the initial date of issuance. However the first extension is to be granted by Ministry of Home Affairs (MHA). <p>PERSONAL ENTRY</p> <p>▪ Foreign Nationals:</p> <ul style="list-style-type: none"> ➤ Business visas (which have to be supported by a sponsoring corporation) are valid for four months stay that can be extended for up to six months. Beyond that, requires a minimum one year work permit (again supported by the sponsoring corporation), and applicants should allow a minimum of three months for the process. A valid work permit is essential prior to the arrival of household goods. Foreign nationals must possess a visa valid for one year from date of last entry, to avail of duty concessions under transfer of residence. <p>▪ From Aug 2009:</p> <ul style="list-style-type: none"> ➤ All foreign nationals currently in India on business visas (BV) and engaged in project or contract work should return to their home countries on expiry of their visas or by 31st October 2009 whichever is earlier. No visa extension will be granted in such cases. <p>On 29th October 2009 the Ministry of Home Affairs published the following list of permissible activities under Business and Employment Visas.</p> <p>Business Visa (BV) -</p> <ul style="list-style-type: none"> ➤ to establish an industrial/business venture or to explore possibilities of setting up industrial/business venture in India ➤ to purchase/sell industrial products or commercial products or consumer durables ➤ For technical meetings/discussions, attending Board meetings, general meetings for providing business services support ➤ Foreign nationals coming to India for recruitment of manpower ➤ Foreign nationals who are partners in the Business and/or functioning as Directors in the company ➤ Consultations regarding exhibitions, for participation in exhibitions, trade fairs, business fairs, etc. ➤ Foreign buyers who come to transact business with suppliers/potential suppliers at locations in India, to evaluate or monitor quality, give specifications, place orders, negotiate further supplies etc., relating to goods or services procured from India. ➤ Experts/ specialists on a visit of short duration in connection with an ongoing project with the objective of monitoring the progress of the work, conducting meetings with Indian customers and/or to provide some high level technical guidance. ➤ Pre-sales or post-sales activity not amounting to actual execution of any contract or project. ➤ Trainees of multinational companies/corporate houses coming for in-house training in the regional hubs of the concerned company located in India. ➤ Foreign students sponsored by AIESEC for internship on project based work in companies/industries ➤ For due diligence or fact finding mission i.e detailed assessment of a potential customers requirement.

India <i>Customs Information</i>	
Employment and Business Visa <i>(continuation)</i>	<p>The Business Visa must be issued from the country of origin, or from the country of domicile of the foreigners provided the period of permanent residence of that applicant in that particular country is for more than 2 years.</p> <p>For activities that do not clearly fall under the usual permissible activities for business visitors as mentioned above, an employment visa is required.</p> <p>Employment Visa</p> <ul style="list-style-type: none"> ➤ Execution of a project/contract [irrespective of the duration of the visit]. ➤ To install, implement or testing of equipment, machiner, software or computer programs as part of the contract agreement between the foreign and Indian entity. ➤ Trainers coming to India for imparting training for the personnel of the Indian company. ➤ Person deputed for providing technical support/services, transfer of know-how, services supplies for which the Indian company pays fees/royalty to the foreign company. ➤ Consultant on contract for whom the Indian company pays a fixed remuneration, (may not be in the form of monthly salary). ➤ Artists engaged to conduct regular performances for the duration of the employment contract given by Hotels, Clubs, other organizations ➤ Foreign nationals who are coming to India to take up employment as coaches ➤ Foreign sportsmen who are given contract for a specified period by the Indian clubs/organizations ➤ Self-employed foreign nationals coming to India for providing engineering, medical, accounting, legal or such other highly skilled services in their capacity as independent consultants ➤ To receive trianing exceeding beyond 6 months ➤ To conduct Internal audit at an affiliated Indian Company. <p>The Employment Visa must be issued from the country of origin, or from the country of domicile of the foreigner provided the period of permanent residence of that applicant in that particular country is for more than 2 years.</p>
Registration Requirements	<p>All foreigners of Indian origin traveling to India on E Visa must be registered with the concerned registration officer within 14 days of his/her first arrival irrespective of the duration of stay or within the specified period as mentioned on the visa.</p>
Taxability Issue	<p>The tax issues for the foreign national traveling to India on E visa had to be looked into details as factors like duration of stay, salary payment, where the cost of assignment is being transferred, whether foreign national is on secondment or direct employment with the India entity etc will decide about payment of taxes in India. However we suggest clients to contact their respective Tax consultant to get more clarity on this topic.</p>
Issuance of Employment Visa to Chinese nationals	<p>Applications for EV to the Indian Mission in China by the Indian/Chinese company has to be submitted incorporating the following additional information:</p> <ul style="list-style-type: none"> ✓ Educational qualifications and the current job, and ✓ Nature of job proposed to be performed in India <p>Indian / Chinese company is also required to forward the coy of the visa application to Ministry of Home Affairs (MHA) (Foreigners Division)</p> <ul style="list-style-type: none"> ✓ Indian Misson is also required to send the information so received to MHA (FD). ✓ Visa has to be processed by MHA within a period of 60 days. <p>MHA on receiving the information / application forwards the same to the following two parties:</p> <ul style="list-style-type: none"> ➤ Intelligence Bureau (IB): IB to give clearance within 15 days ➤ Ministry of Labour (MOL): MOL to give clearnace within 45 days <p>MEA as a point of caution will also collate details of Chinese nationals on projects in India since 1st January 2008 on BV from the Indian Missions in China. This shall be provided to IB to control the stay of such Chinese nationals in India beyond the validity of their BV.</p>
Visa Extensions	<p>Visa Extension is a 2 step process: Initially a 3 month extension was given by the local FRRO/FRO and the balance 9 month extension given by the Ministry of Home Affairs (MHA) after which visa endorsement for the balance 9 months was done by the local FRRO/FRO's. The balance 9 month endorsement was stamped by the local FRRO/FRO's as soon as the approval was given by the MHA.</p> <p>As per the new change being introduced by the Mumbai FRRO/FRO's, balance 9 month visa endorsement can only be filed 14 days prior to the 3 months visa expiry date even though the order from MHA has already been received.</p>

India *Customs Information*

*Visa Extensions
 (continuation)*

FRRO Mumbai has also introduced the new format of the undertaking letter with detailed description of the undertaker.

Indian Nationals:

- Owner should have resided out of India for a minimum period of two years preceding his transfer to India and intends to reside in India for a period of at least one year. Short visits to India in the preceding two years are promoted provided the total duration of stay in India does not exceed six months.

*Household Goods
 and Personal Effects*

The owner must be physically in India before customs clearance can take place. Air shipments must be shipped within 15 days and surface shipments must be shipped within one month of owner's arrival in India. All shipments are subject to customs examination and customs duties will be assessed, based on the Customs evaluation.

In general terms under Transfer of Residence, a TV, VCR, washing machine, cooking range, dish washer, music system, personal computer, air conditioner, refrigerator, deep freezer, microwave oven, video camera, word processing machine and telefax machine may be imported at a duty of 35% of assessed value providing :

1. That the combined value of these items must not exceed Rs. 150,000 (approx. US\$ 4250 at 1997 exchange rates).
2. There must only be one of each such item in the shipment.

Duplicate items or any sums in excess of Rs. 150,000 attracts 61% duty.

Other household goods, provided they have been in the owner's possession and use for one year, will be allowed free entry.

Documentation:

- ✓ Owner's Passport - Owner must be present in India at the time of customs clearance.
- ✓ List of articles with values and date of purchase.
- ✓ Customs Declaration Form signed by owner.
- ✓ Original Ocean Bill of lading.
- ✓ Diplomatic consignment - Duty free exemption certificate issued by Diplomatic Mission in India.

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