

CA Final – Paper 4 (Law) – MCQ

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(Covering ICAI SM, MTPs & RTPs till Nov. 2022 applicable for May/Nov. 2023 Exams)

Chapter - 15: The Foreign Exchange Management Act, 1999

1	<p>In September, 2020, Mr. Purshottam Saha visited Atlanta as well as Athens and thereafter, London and Berlin on a month-long business trip, for which he withdrew foreign exchange to the extent of US\$ 50,000 from his banker State Bank of India, New Delhi branch. In December, 2020 he further, withdrew US\$ 50,000 from SBI and remitted the same to his son Raviyansh Saha who was studying in Toronto, Canada. In the first week of January, 2021, he sent his ailing mother Mrs. Savita Saha for a specialised treatment along with his wife Mrs. Rashmi Saha to Seattle where his younger brother Pranav Saha, holder of Green Card, is residing. For the purpose of his mother's treatment and to help Pranav Saha to meet increased expenses, he requested his banker SBI to remit US\$ 75,000 to Pranav Saha's account maintained with Citibank, Seattle. In February, 2021, Mr. Purshottam Saha's daughter Devanshi Saha got engaged and she opted for a 'destination marriage' to be held in August, 2021 in Zurich, Switzerland. While on a trip to Dubai in the last week of March, 2021, he again withdrew US\$ 35,000 to be used by him and Devanshi Saha for meeting various trip expenses including shopping in Dubai. Later, the event manager gave an estimate of US\$ 2,50,000 for the wedding of Devanshi Saha at Zurich, Switzerland. Which option do you think is the correct one in the light of applicable provisions of Foreign Exchange Management Act, 1999 including obtaining of prior approval, if any, from Reserve Bank of India since Mr. Purshottam Saha withdrew foreign exchange on various occasions from his banker State Bank of India.</p> <p>(a) In respect of withdrawal of foreign exchange on various occasions from his banker State Bank of India and remitting the same outside India during the financial year 2020-21, Mr. Purshottam Saha is not required to obtain any prior approval.</p> <p>(b) In respect of withdrawal of US\$ 35,000 in the last week of March, 2021, for a trip to Dubai, Mr. Purshottam Saha must have obtained prior approval of Reserve Bank of India since the maximum amount of foreign exchange that can be withdrawn in a financial year is US\$ 1,75,000.</p> <p>(c) After withdrawing US\$ 1,00,000, Mr. Purshottam Saha must have obtained prior approval of Reserve Bank of India for the remaining remittances made during the financial year 2020-21, otherwise SBI would not have permitted further withdrawals.</p> <p>(d) After withdrawing US\$ 50,000, Mr. Purshottam Saha must have obtained prior approval of Reserve Bank of India for the remaining remittances made during the financial year 2020-21, otherwise SBI would not have permitted further withdrawals.</p>
2	<p>M/s. Kedhar Sports Academy, a private coaching club, provides coaching for cricket, football and other similar sports. It coaches sports aspirants pan India. It also conducts various sports events and campaigns, across the country. In 2022, to mark the 25th year of its operation, a cricket tournament</p>

	<p>(akin to the format of T-20) is being organized by M/s. Kedhar Sports Academy in Lancashire, England, in the first half of April. The prize money for the 'winning team' is fixed at USD 40,000 whereas in case of 'runner-up', it is pegged at USD 11,000. You are required to choose the correct option from the four given below which signifies the steps to be taken by M/s. Kedhar Sports Academy for remittance of the prize money of USD 51,000 (i.e. USD 40,000+USD 11,000) to England keeping in view the relevant provisions of Foreign Exchange Management Act, 1999:</p> <p>(a) For remittance of the prize money of USD 51,000, M/s Kedhar Sports Academy is required to obtain prior permission from the Ministry of Human Resource Development (Department of Youth Affairs and Sports).</p> <p>(b) For remittance of the prize money of USD 51,000, M/s Kedhar Sports Academy is required to obtain prior permission from the Reserve Bank of India.</p> <p>(c) For remittance of the prize money of USD 51,000, M/s Kedhar Sports Academy is not required to obtain any prior permission from any authority, whatsoever, and it can proceed to make the remittance.</p> <p>(d) For remittance of the prize money of USD 51,000, M/s Kedhar Sports Academy is required to obtain prior permission from the Ministry of Finance (Department of Economic Affairs).</p>
3	<p>Akash Ceramics Limited, an Indian company, holds a commercial plot in Chennai which it intends to sell. M/s. Super Seller, a real estate broker with its Head Office in the USA, has been appointed by Akash Ceramics Limited to find some suitable buyers for the said commercial plot in Chennai which is situated at a prime location. M/s. Super Seller identifies Glory Estate Inc., based out of USA, as the potential buyer. It is to be noted that Glory Estate Inc. is controlled from India and hence, is a 'Person Resident in India' under the applicable provisions of Foreign Exchange Management Act, 1999. A deal is finalised and Glory Estate Inc. agrees to purchase the commercial plot for USD 600,000 (assuming 1 USD = ₹ 70). According to the agreement, Akash Ceramics Limited is required to pay commission @ 7% of the sale proceeds to M/s. Super Seller for arranging the sale of commercial plot to Glory Estate Inc. and commission is to remitted in USD to the Head Office of M/s. Super Seller located in USA. Considering the relevant provisions of Foreign Exchange Management Act, 1999, which statement out of the four given below is correct (ignoring TDS implications arising under the Income-tax Act, 1961):</p> <p>(a) There is no requirement of obtaining prior permission of Reserve Bank of India (RBI) for remittance of commission upto USD 25,000 by Akash Ceramics Limited to M/s. Super Seller but for the balance commission of USD 17,000, prior permission of RBI is required to be obtained.</p> <p>(b) There is no requirement of obtaining prior permission of Reserve Bank of India (RBI) for remittance of commission upto USD 30,000 by Akash Ceramics Limited to M/s. Super Seller but for the balance commission of USD 12,000, prior permission of RBI is required to be obtained.</p> <p>(c) There is no requirement of obtaining prior permission of Reserve Bank of India (RBI) for remittance of entire commission of USD 42,000 by Akash Ceramics Limited to M/s. Super Seller.</p> <p>(d) It is mandatory to obtain prior permission of Reserve Bank of India (RBI) for remittance of entire commission of USD 42,000 by Akash Ceramics Limited to M/s. Super Seller.</p>
4	<p>Mr. Raman, a non-resident Indian, has a Systematic Investment Plan (SIP) with a prominent Indian mutual fund. Due to some impending financial difficulties, he requested his elder brother Mr. Raghav, a resident Indian currently working as Manager in a multi-national company at Mumbai, to make payment of a few subsequent instalments of SIP on his behalf. Which option, do you think, correctly signifies whether Mr. Raghav is permitted to undertake such transaction of paying a few instalments of SIP on behalf of his non-resident brother considering the applicable provisions of the Foreign Exchange Management Act, 1999:</p>

	<p>(a) Mr. Raghav is not permitted to undertake such transaction of paying a few instalments of SIP on behalf of his non-resident brother since it amounts to payment for the credit of a nonresident person.</p> <p>(b) Mr. Raghav is permitted to undertake such transaction of paying a few instalments of SIP on behalf of his non-resident brother since Mr. Raman is his real brother.</p> <p>(c) Mr. Raghav is permitted to undertake such transaction of paying a few instalments of SIP on behalf of his non-resident brother only if his employer permits.</p> <p>(d) Mr. Raghav is permitted to undertake such transaction of paying a few instalments of SIP on behalf of his non-resident brother only if he obtains prior permission of Reserve Bank of India.</p>
5	<p>Mohita Periodicals and Mags Publications Limited, having registered office in Chennai, has obtained consultancy services from an entity based in France for setting up a software programme to strengthen various aspects relating to publications. The consideration for such consultancy services is required to be paid in foreign currency. The compliance officer of Mohita Periodicals and Mags Publications Limited, Mrs. Ritika requires your advice regarding the foreign exchange that can be remitted for the purpose of obtaining consultancy services from abroad without prior approval of Reserve Bank of India. Out of the following four options, choose the one which correctly portrays the amount of foreign exchange remittable for the given purpose after considering the provisions of the Foreign Exchange Management Act, 1999 and regulations made thereunder:</p> <p>(a) Permissible amount of foreign exchange that can be remitted by Mohita Periodicals and Mags Publications Limited for obtaining consultancy services from an entity based in France without prior approval of RBI is US\$ 50,000,000.</p> <p>(b) Permissible amount of foreign exchange that can be remitted by Mohita Periodicals and Mags Publications Limited for obtaining consultancy services from an entity based in France without prior approval of RBI is US\$ 10,000,000.</p> <p>(c) Permissible amount of foreign exchange that can be remitted by Mohita Periodicals and Mags Publications Limited for obtaining consultancy services from an entity based in France without prior approval of RBI is US\$ 5,000,000.</p> <p>(d) Permissible amount of foreign exchange that can be remitted by Mohita Periodicals and Mags Publications Limited for obtaining consultancy services from an entity based in France without prior approval of RBI is US\$ 1,000,000.</p>
6	<p>Mr. Raj, a resident of India went to Australia for a business deal in January 2022. He realised foreign exchange for bearing expenses while staying there for the business purpose. After maturing the deal, he returned back to India in 28th of February 2022. Mr. Raj was left with certain unused foreign exchange. He retained the foreign exchange with him for future use. Mr. Raj have to return the unused foreign exchange -</p> <p>(a) Latest by 27th August 2022.</p> <p>(b) Latest by 28th August 2022.</p> <p>(c) Latest by 29th August 2022.</p> <p>(d) Latest by 31st August 2022.</p> <p style="text-align: right;">[MTP-March 19]</p>
7	<p>Peter a citizen and resident of India, in the year 2011, got a job in a MNC in Germany. He planned to shift. Due to travelling and shifting, studies of his daughter Lisa was effected a lot, so he decided to admit her into Mayo College at Ajmer for her further studies. On 23rd March 2020, Peter, along with his wife and daughter reached India from Germany. On 22nd April 2020, Lisa got admission in the college and since then she is living in India only. Peter and his wife returned Germany on 1st May 2020. Peter did not visited India during the financial year 2020-21, however his wife was in India from 2nd December 2020 to 2nd January 2021. During the financial year 2021-22, Peter was in India</p>

	<p>for 185 days due to his deployment and Lisa's ill health. From the following who will be treated as person resident in India for the financial year ended on 2021-22.</p> <p>(a) Lisa (b) Peter (c) Peter's wife (d) Lisa and Peter's wife</p> <p style="text-align: right;">[MTP-April. 19]</p>
8	<p>Rahul, Son of Mr. Manish was going to USA under cultural exchange programme of his college. For meeting Rahul's expenses in USA, Mr. Manish purchased 5000 USD from an authorized person on 15th February 2022. Rahul came back to India on 15th March 2022. At the time of his return to India he was having 1850 unspent USD with him. From the following which option is the best suited for the above situation.</p> <p>(a) Unspent foreign exchange shall be surrendered to the authorized person within 180 days from the date of his return to India. (b) Unspent foreign exchange shall be surrendered to the authorized person within 180 days from the date of purchase of foreign exchange. (c) Unspent foreign exchange shall be surrendered to the authorized person within 90 days from the date of his return to India. (d) Unspent foreign exchange not exceeding 2000 USD may be retained by a person resident in India.</p> <p style="text-align: right;">[MTP-April. 19]</p>
9	<p>A highly reputed construction company of Mumbai, decided to launch an ultra modern residential project in Goa especially for non-resident HNI Indians. For the purpose it appointed 4 agents worldwide to look for prospective buyers for 12 exclusive flats. The terms of their appointment clearly mentioned that they themselves will be responsible for inward remittance on the flats booked by them. As the project was one of its kind, so it got overwhelming response and all the flats got booked. However only 2/3 of the price of each flat could be remitted into India through proper channel during the financial year ended on 31st March 2022. Price of per flat was USD 1500000 inclusive of all. From the following how much maximum commission can be given to each agent, without any intervention of any authority. Each agent booked 3 flats.</p> <p>(a) 75000 USD (b) 150000 USD (c) 225000 USD (d) 300000USD</p> <p style="text-align: right;">[MTP-Oct. 19]</p>
10	<p>Mr. Ram had resided in India during the Financial Year 2019-20 for less than 183 days. He again came to India on 1st May, 2020 for higher studies and business and stayed upto 15th July, 2021. State the correct answer as to the residential status of Mr. Ram in the light of the given fact as per the Foreign Exchange Management Act, 1999.</p> <p>(1) Mr. Ram can be considered as 'Person resident in India' during the financial year 2020-21. (2) Mr. Ram cannot be considered as 'Person resident in India' during the financial year 2020-21. (3) Mr. Ram can be considered as 'Person resident in India' during the financial year 2021-22.</p> <p>(a) Both the statement (1) & (3) are correct. (b) Both the statement (2) & (3) are correct. (c) Only statement (1) is correct. (d) Only statement (2) is correct.</p> <p style="text-align: right;">[RTP-Nov. 19]</p>

11	<p>Mr. Z was appointed as representative of ABC Company for a 10 days corporate programme organized in USA. During the said period in USA, he was diagnosed with the severe kidney disease, so decided to have a treatment done in USA. State the maximum amount that can be drawn by Mr. Z as foreign exchange for the medical treatment abroad.</p> <p>(a) USD 1,25,000 (b) USD 2,25,000 (c) USD 2,50,000 (d) As estimated by a medical institute offering treatment. [MTP-May 20]</p>
12	<p>Which among the following is legally acceptable permissible source for funding overseas direct investment:</p> <p>(a) Proceeds of External Commercial Borrowings. (b) Proceeds of Real estate business. (c) Proceeds of Banking business. (d) Proceeds of foreign currency funds raised through other than ADR/GDR issues. [RTP-May 20]</p>
13	<p>Mr. Raman, a non-resident, has a Special Investment Plan (SIP) with a mutual fund in India. Mr. Raman, due to some financial problems, requested his brother Mr. Raghav who is an Indian resident, to make the payment of few subsequent instalments of SIP on his behalf. You are required to advise Mr. Raghav whether such transaction is permitted considering the provisions of Foreign Exchange Management Act (FEMA), 1999.</p> <p>(a) Such transaction is not permitted as it amounts to payment for the credit of non-resident. (b) Such transaction is permitted as Mr. Raghav can enter into such transaction on behalf of his non-resident brother. (c) Such transaction is not permitted as Mr. Raghav cannot enter into such transactions on behalf of his non-resident brother. (d) Such transaction is permitted if Mr. Raghav obtains prior permission of the Reserve Bank of India. [MTP-Nov. 20]</p>
14	<p>Mr. A is an authorized dealer holding a valid Authorization issued by the Reserve Bank of India under section 10 of the FEMA, 1999. During the course of his business, he violated one of the conditions subject to which the Authorization was granted to him. The Adjudicating Authority imposed a penalty of ₹ 1,50,000 under section 13 (being 3 times the amount involved in the violation, i.e. ₹ 50,000). Mr. A accepted the default. State the time limit before which Mr. A should pay the penalty, assuming he does not prefer an appeal to the Appellate Authority:</p> <p>(a) Within 30 days from the date of the Order imposing the penalty. (b) Within 45 days from the date of the Order imposing the penalty. (c) Within 60 days from the date of the Order imposing the penalty. (d) Within 90 days from the date of the Order imposing the penalty. [MTP-March 21]</p>
15	<p>A Limited, an Indian company holds a commercial plot in Chennai, India. It intends to sell the same. M/s Super Seller is a real estate broker with Head Office in the USA. M/s Super Seller is appointed to find buyers for the land. A company Glory Inc., based out of USA is identified as a buyer. Glory Inc., is controlled from India and is hence a Person Resident in India under FEMA provisions. Glory Inc., agrees to buy the land for USD 6,00,000 (assume 1 USD = ₹70). M/s Super Seller is to be paid commission at the rate of 7% of the sale proceeds. The commission is to be paid to the H.O of M/s Super</p>

	<p>Seller in USA. Decide, in light of the relevant provisions of FEMA, 1999, which of the following is correct (Ignoring TDS implications arising under the Income Tax Act, 1961):</p> <p>(a) Prior permission is not required for remittance of commission upto USD 25,000. For balance commission of USD 17,000, permission of RBI is to be sought by A Limited.</p> <p>(b) Prior permission is not required for remittance of commission upto USD 30,000. For balance commission of USD 12,000, permission of RBI is to be sought by A Limited.</p> <p>(c) Prior permission is not at all required for remittance of the entire commission.</p> <p>(d) Prior permission is required to be taken from The Reserve Bank of India for the entire amount of commission.</p> <p style="text-align: right;">[MTP-March 21]</p>
16	<p>Z Ltd, a Startup is permitted to raise ECB under the automatic route with the minimum average maturity period of :</p> <p>(a) 1 years</p> <p>(b) 3 years</p> <p>(c) 5 years</p> <p>(d) 10 years</p> <p style="text-align: right;">[MTP-March 21]</p>
17	<p>Minimum Average Maturity Period prescribed for ECB raised for working capital purposes or general corporate purposes under the ECB framework is:</p> <p>(a) 1 year</p> <p>(b) 5 years</p> <p>(c) 7 years</p> <p>(d) 10 years</p> <p style="text-align: right;">[MTP-April 21]</p>
18	<p>Mr. X, a resident of India planned a tour of 15 days to visit Paris and to meet his niece living there. While returning to India, Mr. X was carrying with him INR 30,000. Her niece told him that limit is marked on bringing Indian currency notes at the time of return to India. Identify the correct limit:</p> <p>(a) INR 2000</p> <p>(b) INR 5000</p> <p>(c) INR 10,000</p> <p>(d) INR 25,000</p> <p style="text-align: right;">[RTP-May 21]</p>
19	<p>Dhruv, is a pilot in Bangkok airways. He flies for 15 days in a month and thereafter takes a break for 15 days. During the break, he is accommodated in 'base', which is normally the city where the Airline is headquartered. However, for security considerations, he was based at Delhi. During the financial year, he was accommodated at Delhi for 182 days. Determine the legal position as regards the residential status of Dhruv under the given situation.</p> <p>(a) Dhruv cannot be considered to be a Person Resident in India.</p> <p>(b) Dhruv can be considered to be a Person Resident in India due to his stay for 182 days in India</p> <p>(c) Dhruv cannot be considered to be a Person Resident in India due to his stay for less than 183 days in India.</p> <p>(d) Dhruv can be considered to be a Person Resident in India due to his stay in Delhi for security consideration.</p> <p style="text-align: right;">[MTP-Oct. 21]</p>
20	<p>Mr. V, brother of Mr. R, is a resident of Singapore and he owns an immovable property in Chennai which he inherited from his father, who was a resident of India, Can Mr. V continue to hold the property?</p>

	<p>(a) No, he cannot hold transfer or invest In India, since he is resident outside India.</p> <p>(b) Yes, he can continue to hold in India, since he is person of India Origin and the property is located In India</p> <p>(c) Yes, he can continue to hold the property, since this was inherited from a person who was resident in India.</p> <p>(d) Yes, he can continue to hold the property, since his brother (Mr. R) uses the property whenever he travels to Chennai.</p> <p style="text-align: right;">[RTP-May 21, MTP-Nov. 21]</p>
21	<p>In September 2021, Mr. P, went to USA, London and Germany on a month long business trip. For this trip he got foreign exchange of USD 50,000 from an authorized dealer. In December 2021 he remitted USD 50,000 to his son in Canada, who was studying there. In January 2022 he sent his mother and wife to America for his mother’s treatment and for the purpose he remitted USD 75,000 to his younger brother, who was living there. In March 2022 his daughter got engaged and she opted for a destination marriage to be held in May 2022, in Switzerland. While on trip to Dubai in the March end, 2022, he spent USD 35,000 for his daughter’s shopping in Dubai. Later, the event manager gave an estimate of USD 250,000 for the wedding. As per the provisions of FEMA, for how much remittance does he need to take prior approval of the Reserve bank of India.</p> <p>(a) He does not need any prior approval at all</p> <p>(b) For USD 210000</p> <p>(c) For USD 250000</p> <p>(d) For USD 15000</p> <p style="text-align: right;">[MTP-Nov. 21]</p>
22	<p>Which amongst the following transactions, is not the current account transaction:</p> <p>(a) payments due in connection with short-term banking and credit facilities in the ordinary course of business.</p> <p>(b) payments due on loans.</p> <p>(c) remittances for living expenses of parents residing abroad</p> <p>(d) expenses in connection with foreign travel of spouse and children</p> <p style="text-align: right;">[MTP-March 22]</p>
23	<p>Nandeesh, a resident Indian, remitted USD 1,00,000 on 7th June, 2022, to his son Ishaan who is settled in California, USA, since he urgently required funds. On 9th July, 2022, Nandeesh again remitted USD 71,000 to meet expenses to be incurred in respect of his ailing wife, Medhavi who had recently gone to USA to meet his son Ishaan but had developed serious coronary disease. For specialised treatment of Medhavi at a specialised hospital, a sum of USD 79,000 was remitted for the second time on 30th July, 2022 by Nandeesh. Within next 10 days, Medhavi recovered and was allowed to return to her son’s residence from the hospital. Choose the correct option from those stated below as to when Nandeesh can send further foreign exchange to his son Ishaan for the purpose of purchasing a house without obtaining the prior approval of Reserve Bank of India:</p> <p>(a) Without obtaining the approval of Reserve Bank of India, Nandeesh can send further foreign exchange to his son Ishaan only in the month of April, 2023 or thereafter.</p> <p>(b) Without obtaining the approval of Reserve Bank of India, Nandeesh can send further foreign exchange to his son Ishaan only in the month of January, 2023 or thereafter.</p> <p>(c) Without obtaining the approval of Reserve Bank of India, Nandeesh can send further foreign exchange to his son Ishaan only in the month of July, 2023 or thereafter.</p> <p>(d) Without obtaining the approval of Reserve Bank of India, Nandeesh can send further foreign exchange to his son Ishaan only in the month of November, 2022 or thereafter.</p> <p style="text-align: right;">[RTP-May 22]</p>
24	<p>After five years of stay in USA, Mr. Umesh came to India at his paternal place in New Delhi on October 25, 2021, for the purpose of conducting business with his two younger brothers Rajesh and Somesh</p>

	<p>and contributed a sum of ₹ 10,00,000 as his capital. Simultaneously, Mr. Umesh also started a proprietary business of selling artistic brassware, jewelry, etc. procured directly from the manufacturers based at Moradabad. Within a period of two months after his arrival from USA, Mr. Umesh established a branch of his proprietary business at Minnesota, USA. You are required choose the appropriate option with respect to residential status of Mr. Umesh and his branch for the financial year 2022-23 after considering the applicable provisions of the Foreign Exchange Management Act, 1999:</p> <p>(a) For the financial year 2022-23, Mr. Umesh and his branch established at Minnesota, USA, are both persons resident outside India.</p> <p>(b) For the financial year 2022-23, Mr. Umesh is a resident in India but his branch established at Minnesota, USA, is a person resident outside India.</p> <p>(c) For the financial year 2022-23, Mr. Umesh and his branch established at Minnesota, USA, are both persons resident in India.</p> <p>(d) For the financial year 2022-23, Mr. Umesh is a person resident outside India but his branch established at Minnesota, USA, is a person resident in India. [RTP-May 22]</p>
25	<p>Priti, on 1st September, 2021 went to UK for doing one year MBA course. Her MBA course completed on 31st August, 2022 and she returned India on the next day. What shall be her residential status for the FY 2022-23 and 2023-24:</p> <p>(a) Resident in India for FY 2022-23 and FY 2023-24</p> <p>(b) Resident in India for FY 2022-23 and Resident outside India for FY 2023-24</p> <p>(c) Resident outside India for FY 2022-23 and FY 2023-24</p> <p>(d) Resident outside India for FY 2022-23 and Resident in India for FY 2023-24 [MTP-Oct. 22]</p>
26	<p>Mr. X, a person comes to India on 1st June 2021 for visiting his parents. However, his parents fall sick and he stays till 31st March 2022. Thereafter he continues to stay in India. He decided to live in India for next 6 months by the time his parents recovers. In the light of the given case, determine the correct residential status of Mr. X from the given statements.</p> <p>(a) Mr. X is PRII as he did reside in India in the FY 2021-2022.</p> <p>(b) Mr. X is PRII as he reside in India for more than 182 days in the FY 2021-22.</p> <p>(c) Mr. X is PROI in the FY 2021-22, but will be treated as PRII from 1st April, 2022, as he resides in India for more than 182 days in the previous FY.</p> <p>(d) His stay in India is neither for employment, nor for business, nor for circumstances which show that his stay in India for an uncertain period. In FY 2021-22, he is a PROI as he did not reside in India for more than 182 in FY 2020-21. [RTP-Nov. 22]</p>

Answers Key		
Q. No	Answer	
1	(a)	In respect of withdrawal of foreign exchange on various occasions from his banker State Bank of India and remitting the same outside India during the financial year 2020-21, Mr. Purshottam Saha is not required to obtain any prior approval.
2	(c)	For remittance of the prize money of USD 51,000, M/s Kedhar Sports Academy is not required to obtain any prior permission from any authority, whatsoever, and it can proceed to make the remittance.
3	(d)	It is mandatory to obtain prior permission of Reserve Bank of India (RBI) for remittance of entire commission of USD 42,000 by Akash Ceramics Limited to M/s. Super Seller.

4	(a)	Mr. Raghav is not permitted to undertake such transaction of paying a few instalments of SIP on behalf of his non-resident brother since it amounts to payment for the credit of a non-resident person.
5	(d)	Permissible amount of foreign exchange that can be remitted by Mohita Periodicals and Mags Publications Limited for obtaining consultancy services from an entity based in France without prior approval of RBI is US\$ 1,000,000.
6	(a)	Latest by 27 th August 2022.
7	(a)	Lisa
8	(d)	Unspent foreign exchange not exceeding 2000 USD may be retained by a person resident in India.
9	(b)	150000 USD
10	(b)	Both the statement (2) & (3) are correct.
11	(d)	As estimated by a medical institute offering treatment.
12	(a)	Proceeds of External Commercial Borrowings.
13	(a)	Such transaction is not permitted as it amounts to payment for the credit of non-resident.
14	(d)	Within 90 days from the date of the Order imposing the penalty.
15	(b)	Prior permission is not required for remittance of commission upto USD 30,000. For balance commission of USD 12,000, permission of RBI is to be sought by A Limited.
16	(b)	3 years
17	(d)	10 years
18	(d)	INR 25,000
19	(a)	Dhruv cannot be considered to be a Person Resident in India.
20	(c)	Yes, he can continue to hold the property, since this was inherited from a person who was resident in India.
21	(a)	He does not need any prior approval at all.
22	(b)	payments due on loans.
23	(a)	Without obtaining the approval of Reserve Bank of India, Nandeesh can send further foreign exchange to his son Ishaan only in the month of April, 2023 or thereafter.
24	(c)	For the financial year 2022-23, Mr. Umesh and his branch established at Minnesota, USA, are both persons resident in India.
25	(d)	Resident outside India for FY 2022-23 and Resident in India for FY 2023-24
26	(d)	His stay in India is neither for employment, nor for business, nor for circumstances which show that his stay in India for an uncertain period. In FY 2019-20, he is a PROI as he did not reside in India for more than 182 in FY 2018-19.