Course Name – B.A.LL.B 6th Sem / LL.B 3rd Sem

Subject – Competition Law

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Concept Covered – UNIT-IV

FOREIGN EXCHANGE MANAGEMENT ACT, 1999

Background, Policies, Authorities

Background

Introduction:

The Foreign Exchange Regulation Act of 1973 (FERA) in India was repealed on 1st June, 2000. It was replaced by the Foreign Exchange Management Act (FEMA), which was passed in the winter session of Parliament in 1999. FERA had a controversial 27 years during which many bosses of the Indian Corporate world found themselves at the mercy of the Enforcement Directorate (E.D.). Any offense under FERA was a criminal offense liable to imprisonment, whereas FEMA seeks to make offenses relating to foreign exchange civil offenses.

FEMA, which has replaced FERA, had become incompatible with the pro-liberalization policies of the Government of India. FEMA has brought a new management regime of Foreign Exchange consistent with the emerging frame work of the World Trade Organization (WTO). It is another matter that enactment of FEMA also brought with it Prevention of Money Laundering Act, 2002 which came into effect recently from 1st July, 2005 and the heat of which is yet to be felt as "Enforcement Directorate" would be investigating the cases under PMLA too.

Unlike other laws where everything is permitted unless specifically prohibited, under FERA nothing was permitted unless specifically permitted. Hence the tenor and tone of the Act was very drastic. It provided for imprisonment of even a very minor offence. Under FERA, a person was presumed guilty unless he proved himself innocent whereas under other laws, a person is presumed innocent unless he is proven guilty.

The Foreign Exchange Management Act, 1999 (FEMA) has been in force from 2000, thus replacing the old Foreign Exchange Regulation Act (FERA) 1973.

FEMA deals in foreign exchange. **<u>Foreign exchange means 'foreign currency'</u>** ***and includes deposits, credits and balances payable in any foreign currency and secondly drafts, travelers, cheaques, letters of credit or bills of exchange, expressed or drawn in Indian currency but payable in any foreign currency.***

<u>Purpose of the Act</u>

The preamble to FEMA lays down the purpose of the Act is to consolidate and amend the law relating to foreign exchange with the **objective of facilitating external trade and payments and for promoting the orderly development and maintenance** of foreign exchange market in India. After Independence, India was left with little foreign exchange reserves and during the oil Crisis of seventies ballooning oil import bills further drained foreign exchange reserves.

Broadly, the objectives of FEMA are to facilitate external trade and payments and to promote the orderly development and maintenance of foreign exchange market. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA.

The rules, regulations and norms pertaining to several sections of the Act are laid down by the Reserve Bank of India, in consultation with the Central Government.

The Act requires the Central Government to appoint as many officers of the Central Government as Adjudicating Authorities for holding inquiries pertaining to contravention of the Act.

There is also a provision for appointing one or more Special Directors (Appeals) to hear appeals against the order of the Adjudicating authorities.

The Central Government also establishes an Appellate Tribunal for Foreign Exchange to hear appeals against the orders of the Adjudicating Authorities and the Special Director (Appeals).

The FEMA provides for the establishment, by the Central Government, of a Director of Enforcement with a Director and such other officers or class of officers as it thinks fit for taking up for investigation of the contraventions under this Act.

<u>Benefits of the Act</u>

FERA was to control everything that was specified, relating to foreign exchange whereas FEMA lay down that ‘everything other than what is expressly covered is not controlled'. The overriding objective of FERA was to regulate and minimize dealings in foreign exchange and foreign securities while FEMA on the other hand aims to aid in creation of a liberal foreign exchange market in India.

This difference in terminology reflects seriousness of government towards deregulation of foreign exchange and promotion of free flow of international trade. To facilitate external trade is concerned; section 5 of the Act removes restrictions on withdrawal of foreign exchange for the purpose of current account transactions. As external trade i.e. imports / export of goods & services involve transactions on current account, there is no need for seeking RBI permissions in connection with remittances involving external trade.

The difference between the titles, FERA AND FEMA of legislation

In view of this change, the title of the legislation has rightly been changed from 'Foreign Exchange Regulation Act' to 'Foreign Exchange Management Act'.

The main change that has been brought is that FEMA is a civil law, whereas the FERA was a criminal law. In simple word, for contravention of provisions under the FEMA arrest and imprisonment would not be resorted whereas it was the norm under the previous act. Drastic character of FERA can be measure from the fact that it provided for imprisonment for violation of even very minor offenses.

FEMA is applicable to all parts of India. **The act is also applicable to all branches, offices and agencies outside India owned or controlled** ***by a person who is a resident of India***.

The FEMA head-office, also known as Enforcement Directorate is situated in New Delhi and is headed by a Director. Foreign Exchange Act is very important for India for it to be a proper trading and keeps a healthy relation with the outside world as well.

Conclusion

FEMA permits only authorized person to deal in foreign exchange or foreign security. Such an authorized person, under the Act, means authorized dealer, money changer, off-shore banking unit or any other person for the time being authorized by Reserve Bank. The Act thus prohibits any person who deal in or transfer any foreign exchange or foreign security to any person not being an authorized person. Make any payment to or for the credit of any person resident outside India in any manner. Receive otherwise through an authorized person, any payment by order or on behalf of any person resident outside India in any manner.

Enter into any financial transaction in India as consideration for or in association with acquisition or creation or transfer of a right to acquire, any asset outside India by any person is resident in India which acquires, hold, own, possess or transfer any foreign exchange, foreign security or any immovable property situated outside India

Policies

Important Definitions

Sec 2(c) "authorised person" means an authorised dealer, money changer, off-shore banking unit or any other person for the time being authorised under sub-section (1) of section 10 to deal in foreign exchange or foreign securities;

Sec 2 (cc) "Authorised Officer" means an officer of the Directorate of Enforcement authorised by the Central Government under section 37A;

Sec 2(e) "capital account transaction" means a transaction which alters the assets or liabilities, including contingent liabilities, outside India of persons resident in India or assets or liabilities in India of persons resident outside India, and includes transactions referred to in sub-section (3) of section 6;

Sec 2(gg) "Competent Authority" means the Authority appointed by the Central Government under sub-section (2) of section 37A;

Sec 2(h) "currency" includes all currency notes, postal notes, postal orders, money orders, cheques, drafts, travellers cheques, letters of credit, bills of exchange and promissory notes, credit cards or such other similar instruments, as may be notified by the Reserve Bank;

Sec 2(i) "currency notes" means and includes cash in the form of coins and bank notes;

Sec 2 (j) "current account transaction" means a transaction other than a capital account transaction and without prejudice to the generality of the foregoing such transaction includes,—

(i) payments due in connection with foreign trade, other current business, services, and short-term banking and credit facilities in the ordinary course of business,

(ii) payments due as interest on loans and as net income from investments,

(iii) remittances for living expenses of parents, spouse and children residing abroad, and

(iv) expenses in connection with foreign travel, education and medical care of parents, spouse and children;

Sec 2(v) “person resident in India” means—

(i) *a person residing in India for* ***<u>more than one hundred and eighty-two days</u>*** *during the course of the preceding financial year but does not include—*

(A) a person who has gone out of India or who stays outside India, in either case—

(a) for or on taking up employment outside India, or

(b) for carrying on outside India a business or vocation outside India, or

(c) for any other purpose, in such circumstances as would indicate his intention to stay outside India for an uncertain period;

(B) a person who has come to or stays in India, in either case, otherwise than—

(a) for or on taking up employment in India, or

(b) for carrying on in India a business or vocation in India, or

(c) for any other purpose, in such circumstances as would indicate his intention to stay in India for an uncertain period;

(ii) any person or body corporate registered or incorporated in India,

(iii) an office, branch or agency in India owned or controlled by a person resident outside India,

(iv) an office, branch or agency outside India owned or controlled by a person resident in India;

Sec 2(w) “person resident outside India” means a person who is not resident in India;

<u>Policies under FEMA</u>

FEMA extends to the whole of India. It applies to all branches, offices and agencies outside India owned or controlled by a person who is a resident of India and also to any contravention there under committed outside India by any person to whom this Act applies.

Sections 3 to 9 deals with the Regulations and Management of Foreign Exchange

<u>Dealing in Foreign Exchange Sec 3 of FEMA</u>

Except with the general or special permission of the Reserve Bank of India, no person can

• deal in or transfer any foreign exchange or foreign security to any person not being an authorized person;

• make any payment to or for the credit of any person resident outside India in any manner;

• receive otherwise through an authorized person, any payment by order or on behalf of any person resident outside India in any manner;

Sec 4 Holding of foreign exchange, etc.—

Save as otherwise provided in this Act, no person resident in India shall acquire, hold, own, possess or transfer any foreign exchange, foreign security or any immovable property situated outside India.

Sec 47 of FEMA empower to Reserve Bank of India to make regulation to carry out the provisions of FEMA using the power RBI framed Foreign Exchange Management (Possession and Retention of Foreign Currency) Regulation, 2000.

Foreign Exchange Management (Possession and Retention of Foreign Currency) Regulation, 2000 (Regulation 3) provides –

1. An authorised person acting within the scope of his authority may possess foreign currency and coins without any limit.
2. Any person may possess **foreign coins** without any limit
3. Any person resident in India may possess or retain foreign currency notes, bank notes and foreign currency travelers' cheques not exceeding US $ 2000 or its equivalent in aggregate, provided that such foreign exchange –
   (a) was acquired by him while on a visit to any place outside India by way of payment for services not arising from any business in or anything done in India; or
   (b) was acquired by him, from any person not resident in India and who is on visit to India, as honorarium or gift while on a visit to any place outside India; or
   (c) was acquired by him by way of honorarium or gift while on a visit to any place outside India; or
   (d) represents upspent amount of foreign exchange acquired by him from an authorised person for travel abroad

Possession of Foreign Exchange by a Person Resident in India but not Permanently Resident therein (Regulation 4) of Foreign

Exchange Management (Possession and Retention of Foreign Currency) Regulation, 2000

A person resident in India but not permanently resident therein may possess without limit foreign currency in the form of currency notes, bank notes and travellers cheaque, if such foreign currency was acquired, held or owned by him when he was resident outside India and, has been bought into India in accordance with the regulation made under the Act.

Sec (j) and Sec 5 of FEMA Current Account transactions

Sec 2 (j) "current account transaction" means a transaction other than a capital account transaction and without prejudice to the generality of the foregoing such transaction includes,—

(i) payments due in connection with foreign trade, other current business, services, and short-term banking and credit facilities in the ordinary course of business,

(ii) payments due as interest on loans and as net income from investments,

(iii) remittances for living expenses of parents, spouse and children residing abroad, and

(iv) expenses in connection with foreign travel, education and medical care of parents, spouse and children;

Sec 5 provides any person may sell or draw foreign exchange to or from an authorized person if such sale or drawl is a current account transaction. However, the Central Government may in public interest and in consultation with the Reserve Bank of India, impose such reasonable restrictions for current account as may be prescribed.

In other words, foreign exchange is freely available for a current account transaction if the following two conditions are satisfied:

(a) The transaction is not prohibited by the rules

(b) The transaction is within the ceiling limit, prescribed by the rules, or the permission of the Reserve Bank of India or the Central Government as the case may be

Sec 47 of FEMA empower to **Reserve Bank** of India to make **regulation** to carry out the provisions of FEMA using the power RBI framed Foreign

Exchange Management (Possession and Retention of Foreign Currency) Regulation, 2000.

Foreign Exchange Management (Possession and Retention of Foreign Currency) Regulation, 2000 (Regulation 3) provides –

4. An authorised person acting within the scope of his authority may possess foreign currency and coins without any limit.
5. Any person may possess **foreign coins** without any limit
6. Any person resident in India may possess or retain foreign currency notes, bank notes and foreign currency travelers' cheques not exceeding US $ 2000 or its equivalent in aggregate, provided that such foreign exchange –
   (e) was acquired by him while on a visit to any place outside India by way of payment for services not arising from any business in or anything done in India; or
   (f) was acquired by him, from any person not resident in India and who is on visit to India, as honorarium or gift while on a visit to any place outside India; or
   (g) was acquired by him by way of honorarium or gift while on a visit to any place outside India; or
   (h) represents upspent amount of foreign exchange acquired by him from an authorised person for travel abroad

Sec 46 of FEMA empower to **Central Government** of India to make **rules** to carry out the provisions of FEMA using the power Central Government framed **Foreign Exchange Management (Current Account Transactions) Rules, 2000.**

Under this, the current account transactions have been divided into following **three** categories

(i) Transactions for which drawal of foreign exchange is prohibited

(ii) Transactions for which foreign exchange can be drawn subject to the prior approval of Central Government

(iii) Transactions for which foreign exchange can be drawn subject to the prior approval of Reserve Bank of India

Sec (e) and Sec 6 of FEMA Capital Account Transactions

Sec 2(e) "capital account transaction" means a transaction which alters the assets or liabilities, including contingent liabilities, outside India of persons resident in

India or assets or liabilities in India of persons resident outside India, **<u>and includes</u>** transactions referred to in ***sub-section (3) of section 6***;

Transactions Referred in *sub-section (3) of section 6 are as follows*

(a) transfer or issue of any foreign security by a person resident in India;

(b) transfer or issue of any security by a person resident outside India;

(c) transfer or issue of any security or foreign security by any branch, office or agency in India of a person resident outside India;

(d) any borrowing or lending in foreign exchange in whatever form or by whatever name called;

(e) any borrowing or lending in rupees in whatever form or by whatever name called between a person resident in India and a person resident outside India;

(f) deposits between persons resident in India and persons resident outside India;

(g) export, import or holding of currency or currency notes;

(h) transfer of immovable property outside India, other than a lease not exceeding five years, by a person resident in India;

(i) acquisition or transfer of immovable property in India, other than a lease not exceeding five years, by a person resident outside India;

(j) giving of a guarantee or surety in respect of any debt, obligation or other liability incurred—

(i) by a person resident in India and owed to a person resident outside India; or

(ii) by a person resident outside India

Sec 6(1) Provides that any person may sell or draw foreign exchange to or from an authorised person for a capital account transaction.

However, Sec 6(2) provides that Reserve Bank may, in consultation with the Central Government, specify the permissible class or classes of capital account transactions and the limit up to which foreign exchange will be allowed for such transactions

Sec 6(2) further provides that Reserve Bank may, in consultation with the Central Government, specify the permissible class or classes of capital account transactions, ***involving debt instruments,*** limits upto which foreign exchange will be allowed for such transactions and any other conditions which may be placed on such transactions. However, the **Reserve Bank or the Central Government <u>shall</u>**

not impose any restrictions on the drawl of foreign exchange for payment ***due to amortization of loans*** or ***for depreciation of direct investment*** in the ordinary course of business.

Sec 6 (2A) further provides, the Central Government may, in consultation with the Reserve Bank, prescribe the permissible class of classes of capital account transactions, ***not involving debt instruments,*** limits upto which foreign exchange will be allowed for such transactions and any other conditions which may be placed on such transactions.

What is debt instrument?

Sec 2 (7) For the purposes of this section, the term **"debt instruments" shall mean**, **such instruments as may be determined by the Central Government in consultation with the Reserve Bank**.

Section 6(4) provides that a **person resident in India** may **hold, own, transfer or investment** in foreign currency, foreign security or any immovable property situated outside India, **if** such currency, security or property was **acquired**, **held or owned by** person such person **when he was resident outside India** or **inherited from** a person who was resident outside India.

Section 6(5) provides **person resident outside India** may **hold, own, transfer or invest** in Indian currency, security or any immovable property situated in India if such currency, security or property was **acquired, held or owned** by such person *when* he was resident in India or inherited from a person **who was resident in India.**

Finally Section 6(6) provides that The Reserve Bank is empowered to prohibit, restrict, or regulate establishment in India of a branch, office or other place of business by a **person resident outside India**, for carrying on any activity relating to such branch, office or other place of business.

The Reserve Bank of India has framed **Foreign Exchange Management (Permissible Account Transaction) Regulations, 2000.** The regulation classifies capital account transactions under three heads

1. Permissible Capital Account transaction of person resident **in** India (Schedule – I)

2. Permissible Capital Account transaction of person resident **outside** India (Schedule – II)

3. Prohibited Capital Account Transfer (Schedule – III)

<u>Section 7 Export of goods and services—</u>

(1) Every **exporter** of goods shall—

(a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India;

(b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realisation of the export proceeds by such exporter.

(2) The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit.

(3) Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

South India Coir Mills Vs Additional Collector of Customs, (1977) 681 SC

Court said that every declaration under Section 7 must be true declaration. The declaration should be known to the maker to be untrue or which the maker has reason to believe to be false. The absence of the affirmation in the declaration amounts to failure on the part of the exported to comply with the provision of Sec 7

<u>Regulation and Repatriation (SEND BACK) of Foreign Exchange Sec 2(y) and Sec 8</u>

Section 2(y) "repatriate to India" means bringing into India the realised foreign exchange and—

(i) the selling of such foreign exchange to an authorised person in India in exchange for rupees, or

(ii) the holding of realised amount in an account with an authorised person in India to the extent notified by the Reserve Bank,

and includes use of the realised amount for discharge of a debt or liability denominated in foreign exchange and the expression "repatriation" shall be construed accordingly;

Sec 8 cast obligation on the person resident in India to take all reasonable steps to realise and repatriate foreign exchange due or accrued within such period and such manner as specified by reserve bank of India

Sec 9 Exemption from realisation and repatriation in certain cases

The provisions of sections 4 and 8 shall not apply to the following, namely:—

(a) possession of **foreign currency** or foreign coins by **any person** up to such limit as the Reserve Bank may specify;

(b) **foreign currency account** held or operated by such **person or class of persons** and the limit up to which the Reserve Bank may specify;

(c) foreign exchange **acquired or received before the 8th day of July, 1947** or a**ny income arising or accruing thereon** which is held outside India by any person in pursuance of a general or special permission granted by the Reserve Bank;

(d) foreign exchange held by a person resident in India up to such limit as the Reserve Bank may specify, if such foreign exchange was acquired by way of gift or inheritance from a person referred to in clause(c), including any income arising therefrom;

(e) foreign exchange acquired from employment, business, trade, vocation, services, honorarium, gifts, inheritance or any other legitimate means up to such limit as the Reserve Bank may specify; and (f) such other receipts in foreign exchange as the Reserve Bank may specify.

So, this section empowers the Reserve Bank to authorize person to deal in foreign exchange or in foreign securities. The authorization can also be granted for dealing n foreign securities besides foreign exchange. The reserve bank may specify the conditions in the authorization and may also revoke the same in the public interest in the case of any contravention of the provisions of this Act or failure to comply with the conditions in the authorization

Authorities

Contraventions and Penalties

If any person contravenes any provision of this Act, or contravenes any rule, regulation, notification, direction or order issued in exercise of the powers under this Act, or contravenes any condition subject to which an authorization is issued by the Reserve Bank, he shall, upon adjudication, be liable to a penalty up to thrice the sum involved in such contravention where such amount is quantifiable, or up to two lakh rupees where the amount is not quantifiable, and where such contravention is a continuing one, further penalty which may extend to five thousand rupees for every day after the first day during which the contravention continues. **Section 13(1)**

Any Adjudicating Authority adjudging any contravention may, if he thinks fit in addition to any penalty which he may impose for such contravention direct that any currency, security or any other money or property in respect of which the contravention has taken place shall be confiscated to the Central Government and further direct that the foreign exchange holdings, if any, of the persons committing the contraventions or any part thereof, shall be brought back into India or shall be retained outside India in accordance with the directions made in this behalf. Section 13(2)

"Property” in respect of which contravention has taken place, shall include deposits in a bank, where the said property is converted into such deposits, Indian currency, where the said property is converted into that currency; and any other property which has resulted out of the conversion of that property.

If any person fails to make full payment of the penalty imposed on him within a period of ninety days from the date on which the notice for payment of such penalty is served on him, he shall be liable to civil imprisonment.

Sec 16 Appointment of Adjudicating Authority —

(1) Empower to Central Government to appoint by notification in the Official Gazette as many adjudicating authorities as it may think fit for holding enquiries,

for the purposes of Section 13, against whom a complaint has been made under Sec 16(3)

(2) The Central Government shall, while appointing the Adjudicating Authorities under sub-section (1), **also specify** in the order published in the Official Gazette, their respective **jurisdictions.**

(3) No Adjudicating Authority shall hold an enquiry under sub-section (1) except upon a complaint in writing made by any officer authorised by a general or special order by the Central Government

(4) The said person may appear either in person or take the assistance of a legal practitioner or a chartered accountant of his choice for presenting his case before the Adjudicating Authority

(5) Every Adjudicating Authority shall have the same powers of a civil court, and all proceedings before it shall be deemed to be judicial proceedings within the meaning of Section 193 and Section 229 of the Indian Penal Code, 1860 and also a civil court for the purposes of Sections 345 and 346 of the Code of Criminal Procedure, 1973.

<u>**Sec 17 Appeal to Special Director** – (FIRST APPEAL)</u>

Sec 17 (1) empowers to Central Government to appoint one or more Special Directors t hear the appeals against the orders of the Adjudicating Authorities.

Sec 17 (2) provides that any person aggrieved by an order of the **Assistant Director or Deputy Director** of Enforcement may prefer appeal to **Special Director**

Apeejay Pvt. Ltd. Vs Union of India, (1979) 49 Comp Cas 602

Held that the applicant will be entitled for judicial relief, if the order of refusing the permission is not supported by valid reasons, or the reasons are irrelevant.

Qualifications, for appointment of Special Director (Appeals) Section 21 —

A person shall not be qualified for appointment as a Special Director (Appeals) unless he—

(a) has been a member of the Indian Legal Service and has held a post in Grade I of that Service; or

(b) has been a member of the Indian Revenue Service and has held a post equivalent to a Joint Secretary to the Government of India

Establishment of Appellate Tribunal

Section 18 The Appellate Tribunal constituted under Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976, shall be the Appellate Tribunal for the purposes of this Act and the said Appellate Tribunal shall exercise the jurisdiction, powers and authority conferred on it by or under this Act

Section 19 provides that the Central Government or any person aggrieved by the order of **Adjudicating Authority or Special Director (Appeal)** may prefer an appeal **to the Appellate Tribunal.** – (SECOND APPEAL)

Appeal to High Court Section 35 – (THIRD APPEAL)

Any aggrieved by the decision of **Appellate Tribunal may** file an appeal **to High court** within 60 day from the date of decision of Appellate Tribunal. High Court may relax in the period if high court is satisfied that there is sufficient reason to delay.

DIRECTORATE OF ENFORCEMENT

Directorate of Enforcement SECTION 36 —

(1) The Central Government shall establish a Directorate of Enforcement with a Director and such other officers or class of officers as it thinks fit, who shall be called officers of Enforcement, for the purposes of this Act.

(2) Without prejudice to the provisions of sub-section (1), the Central Government may authorise the Director of Enforcement or an Additional Director of Enforcement or a Special Director of Enforcement or a Deputy Director of Enforcement to appoint officers of Enforcement below the rank of an Assistant Director of Enforcement.

(3) Subject to such conditions and limitations as the Central Government may impose, an officer of Enforcement may exercise the powers and discharge the duties conferred or imposed on him under this Act.

SECTION 37 Power of search, seizure, etc.—(1) The Director of Enforcement and other officers of Enforcement, not below the rank of an Assistant Director, shall take up for investigation the contravention referred to in section 13.

(2) Without prejudice to the provisions of sub-section (1), the Central Government may also, by notification, authorise any officer or class of officers in the Central Government, State Government or the Reserve Bank, not below the rank of an Under Secretary to the Government of India to investigate any contravention referred to in section 13.

(3) The officers referred to in sub-section (1) shall exercise the like powers which are conferred on income-tax authorities under the Income-tax Act, 1961 (43 of 1961) and shall exercise such powers, subject to such limitations laid down under that Act.

Dr. Pratap Singh Vs Director of Enforcement, FERA, AIR 1985 SC 989

Held, when a search warrant is to be issued under this Section, it is not obligatory on the issuing officer to record in writing the grounds for entertaining reasonable belief that the documents useful for investigation are secreted. It is not necessary to specify the things for which search is to be made and the things and documents which are seized in the search may be used for furnishing evidence

THANKING YOU AND BEST OF LUCK