

DEZAN SHIRA & ASSOCIATES

New “Project Visa” for expats in Power & Steel Sector:

The Government of India has introduced a separate visa regime -- called `P' (Project) Visa -- within the employment visa regime for foreign nationals coming to India for execution of projects in the power and steel sectors. Initially the project Visa will cover only Power & Steel Sectors.

FEATURES OF THE 'P' VISA:

Project Specific Visa:

- (i) Visa would be project Specific. A specific endorsement of Visa sticker would indicate the name & location of project.
- (ii) The Project Visa would be issued only for skilled/highly skilled persons.
- (iii) Only those the foreign nationals employed in the power and steel sector shall be allowed to take advantage of this Visa.

Multiple Entry facility:

- (i) The guidelines for `P' Visa clearly say that its validity will initially be for the duration of the project/contract with multiple-entry facility. "It, however, cannot exceed one year.

Period of 'P' Visa:

- (i) The period of Visa would be determined on case to case basis.
- (ii) The period of visa would be initially for a period of one year or for the actual duration of the project / contract, whichever is less.
- (iii) P Visa can be extended only with the prior approval of MHA.

Required documents and information:

- (i) The Project visa would be issued based on submission of the relevant documents clearly establishing that the project/contract has been assigned to the particular foreign company by the Indian company/organization concerned.
- (ii) A separate application form for Project Visa has been devised. The same may be obtained from the website of Ministry of Corporate affairs or alternatively our offices may be contacted in this regard.

Time:

- (i) Project Visa will be issued only after approval from concerned authorities in India, the processing of which may take 45-50 days

DEZAN SHIRA & ASSOCIATES

Conditions for grant of 'P' Visa:

- (i) A Project Visa holder cannot engage in another project either of the same company or of a different company and his or her work will be restricted to the location of the project.
- (ii) In no circumstances would the person be allowed to be engaged in another project either of the same company or of a different company.
- (iii) A person coming on Project Visa will not be allowed to take up employment in the same Indian company for a period of two years from the date of commissioning of the project.
- (iv) The foreigner coming on Project Visa will have to register himself/herself with the FRRO/FRO concerned within 14 days of arrival if the validity of visa is for more than 180 days. If the validity of visa is for a period of 180 days or less, registration would not be required.
- (v) The Indian Company engaging the foreign national for executing the project / contract would be responsible for the conduct of the foreign national during his/her stay in India and also for the departure of such foreign national upon expiry of visa.

Sector Specific Ceiling:

Steel:

- (i) In case of green field projects – 10% of the total skilled manpower deployed per million tonne capacity or 300 persons, whichever is lower.
- (ii) For Brownfield projects – 5% of the total skilled manpower deployed per million tonne capacity or 150 persons, whichever is lower.

Power:

A block of two units may be considered as one project.

| No. of Units | Where main plant equipment (BTG^ [^]) and its sub-systems are sourced from foreign OEM** | EPC*** project where main plant and equipment, its subsystems and full or part of the BOP**** is sourced from foreign OEM | Additional personnel in case FGD# is also sourced from foreign OEM |
|-------------------|--|---|--|
| 2 Units | 50-70 | 76-125 | 25 |
| 1 additional unit | 105 | 187 | 37 |
| 2 additional Unit | 122 | 219 | 44 |
| 3 additional Unit | 140 | 250 | 50 |
| 4 additional Unit | 157 | 281 | 56 |

BTG**: Boiler Turbine Generator; *OEM** : Original Equipment Manufacturer; *****EPC**: Engineering, Procurement and Construction; ******BOP**: Balance of Plant; # **FGD**: Flue Gas Desulphurization System

(Note: To qualify as a separate project for additional units at the same location, a gap of minimum one year in the date of award of contract shall be considered between two such projects)

Dezan Shira Consultancy Services Private Limited
Level 2, Kalpatru Synergy, Opposite Grand Hyatt, Santacruz (East), Mumbai, 400055, India
Tel: +91-22- 39537100 FAX: +91-22-39537200

DEZAN SHIRA & ASSOCIATES

Employment Visa: Clarification

Ministry of Home Affairs (MHA) has recently issued further clarification for calculating the threshold salary limit of USD 25,000 per annum in relation to the existing employment visa guidelines and the way forward for the foreign nationals drawing a salary less than the threshold limit. These clarifications has been summed up as follows:

- (i) The salary threshold limit of \$25000 per annum may be worked out taking into account salary and all other allowances paid to the foreign national in cash. However, any perquisites like housing, telephone, transport, entertainment etc. which are received in kind should not be included for working out the salary threshold limit of \$ 25000 per annum.
- (ii) Foreign nationals who have arrived in India on the basis of 'E' visa issued after November 1, 2010 and drawing annual salary of less than US\$ 25,000 (and not in the three exempted categories) may be registered by FRROs/FROs but all such foreigners may be granted exit by giving a maximum period of three months.
- (iii) All those foreign nationals who are already on 'E' visa issued prior to 1st November 2010 and drawing lesser amount than the threshold limit of US\$ 25000 may be allowed to continue in their present employment till the expiry of their present visa period. When they approach for extension of their visa, they may be given extension of 3 months to exit if they do not meet the minimum salary limit of US\$ 25000 per annum by that time.

Please contact our offices in India or drop us an e-mail at India@dezshira.com for more information on visa or any assistance in this regard.