

VISA FINANCING

Following are some FAQs that might answer some common questions on Visa Finances.

1) HOW MUCH FUNDS DO I NEED TO SHOW FOR MY VISA INTERVIEW?

For the entire duration of your stay which is equal to the duration of your program as mentioned on your I-20. This will be 24 months or 2 years for most of the programs and 16 months for specific ones, which again is Univ specific. The estimates on the I-20 come with a 9-12-month period or a normal 12-month period, the latter being a common occurrence. So, the thumb rule is twice the I-20 amount in most of the cases which should be covered by liquids and non-liquids funds. For cases where your program duration is 16 months, do your math and show an appropriate amount.

2) WHAT IF YOUR I-20 MENTIONS BLOATED PROGRAM DURATION?

For cases where your I-20 states something like your program duration as 36 months but it's common for people to finish the program within 2 years or even before that. Check if you can get a written communication from the Univ stating this or an e-mail version/soft copy of the same. Also, take supporting documents to back your claims that you need to finish the program in 2 years to maintain your F-1 status while you are at the Univ by taking appropriate credits each semester. The VO's have got every right to buy this argument or even reject them and hence be prepared for any sort of explanation that the situation may demand.

3) SHOWING ACTUAL SOURCE OF FUNDS FOR VISA INTERVIEW:

In several cases, the fund that you show for your Visa interview is not the actual source of funds you will be using for your education. While it is of course highly recommended to show your actual source of funds, this may not be a practical thing to do. Here are a few reasons why this may be the case:

- The living expenses on the I-20 are much higher than what you will be spending (This is true for almost everybody).
- You will have some degree of reliance on on-campus jobs.
- Your funds may not be readily available at the time of the visa interview but will be ready by the time you have to pay the fees.
- You are taking funds from a source that might raise suspicions for the Visa Officer (such as loans from US banks)

4) HOW MUCH MONEY DO I NEED TO SHOW AT THE VISA INTERVIEW?

This amount is dictated by your I-20. The cost estimate on the I-20 is for the first 12 months only. Hence it is important to consider the course duration mentioned on the I-20 while calculating the amount to be shown. Sometimes, the course duration on the I-20 is more than what it actually might take. In this case, you still should prepare sufficient finance for the written duration.

5) IN WHAT FORMS CAN THESE FUNDS BE SHOWN?

Technically, they say that funds for the first year must be shown in the form of Liquid Funds. Funds for the remaining duration of the course can be shown as Non-Liquid Funds. Also, it's better not to show the property as a source of funds as one hardly sells it for funding his/her studies. However, properties/lands can be shown as an asset to establish strong home-ties, a reason for the VO's to

believe that you have a strong base in your native country and won't immigrate to the country for which you are requesting a visa.

LIQUID FUNDS:

Liquid Funds are those funds that are at your instant disposal. The following is a list of sources that can be shown as Liquid Funds along with the necessary documents required for each of them.

SAVINGS ACCOUNTS:

This is considered as good as cash in hand. But few people store huge amounts of money in Savings Accounts for obvious reasons. You will most likely be transferring money from a non-liquid source into your savings account to show for the visa interview. In this case, carry documents as proof of transactions.

In any case, be prepared to justify any significant deposits in your Savings Account with the necessary documentation.

DOCUMENTS REQUIRED: Original Passbooks with transactions of at least the last 6 months, Bank statement (optional), and Proof of significant transactions. Some banks do not provide passbooks. In this case, you can do either of the following:

- a) Get a printed transaction history of the past 6 months from the bank (Recommended)
- b) If you have Internet banking, print the bank statements over the past 6 months.

FIXED DEPOSITS:

A fixed deposit is a long-term deposit with a bank that yields a higher rate of interest. You can show either the Principal Amount or the Current Amount of a Fixed Deposit as Liquid Cash. The current amount will be higher than the Principal Amount due to accrued interest but will require an official bank statement as proof.

The Maturity Amount of a Fixed Deposit cannot be considered as Liquid Funds unless the Maturity Date is before the time when you will be needing the funds.

DOCUMENTS REQUIRED: Original Receipts, Bank Statements for Current Value

BANK LOANS:

A bank loan that has already been sanctioned can be shown as Liquid Funds. Maximum Bank Loan available in India = Rs. 20 Lakhs. Be ready to explain what was used as collateral to obtain the loan, if required. We strongly advise against showing a loan from a foreign bank as a source of funds.

DOCUMENTS REQUIRED: Original Loan Sanction Letter with the name of the university mentioned

SCHOLARSHIPS:

Any monetary scholarship is also counted as Liquid Funds. These can be granted by various organizations, both from India and abroad. Make sure you are prepared to explain how you were eligible for the scholarship and your ties with the awarding organization.

DOCUMENTS REQUIRED: Original Scholarship Letter, Documents proving ties with the awarding organization (especially for caste-specific trusts, etc.).

NON-LIQUID FUNDS:

These are funds that are not available instantly but can be made available soon if required.

PROVIDENT FUNDS:

There are several provident funds and it is beyond the scope of this document to discuss each one of those in detail. Provident funds will pay you a certain amount of money at a given date. A percentage of this final amount is immediately available. Only this percentage can be shown as Liquid Funds. The rest is counted as Non-Liquid Funds.

There are also Public Provident Funds (PPF). Funds available through PPF can be shown as Liquid Funds.

DOCUMENTS REQUIRED: Original Passbooks or Original Statements as applicable

POLICIES:

All policies are considered as Non-Liquid Funds.

DOCUMENTS REQUIRED: Original Policy Letter

NATIONAL SAVINGS CERTIFICATE:

NSCs are Non-Liquid Funds.

DOCUMENTS REQUIRED: Original Certificates

BONDS:

There are again several kinds of bonds and each of them will have specific conditions. Unless you dissolve these bonds and transfer them to savings accounts, they are counted as Non-Liquid.

DOCUMENTS REQUIRED: Original Bond Certificates

SHARES:

The value of these assets is constantly fluctuating and hence has to be shown as Non-Liquid Assets. I would recommend you calculate the value of the shares approximately one week before the Visa Interview. You can do this yourself also and do not need to pay any professional to do it.

DOCUMENTS REQUIRED: Original Share Certificates (if possible), DMAT Account Statement

MUTUAL FUND INVESTMENTS:

These are also constantly fluctuating in value and to be shown as Non-Liquid Assets.

DOCUMENTS REQUIRED: Original Mutual Fund Investment document, Investment Portfolio (if you are investing through an agency)

OTHER INVESTMENTS

Any other investments not covered above or later can be counted as Non-Liquid Assets only.

DOCUMENTS REQUIRED: As per the investment

Note: Most of the above Non-Liquid Assets can be dissolved into Liquid Funds. If you do so, make sure you carry the necessary proofs for the dissolution of these assets so that you can explain the influx of Liquid Funds in your Savings Account.

PROPERTY

Property is not directly included in Non-Liquid Assets since you will rarely be selling property to generate funds. While it is not compulsory to show the property, it is highly recommended. There are two reasons:

- a) It shows strong ties to your home country.
- b) In case you are falling short of funds for the 2nd year onwards, you can show the property as collateral for a loan.

DOCUMENTS REQUIRED: Original Proof of Ownership, Evaluation Certificate from a Registered Evaluator (Optional, Will cost money to obtain)

ANNUAL INCOME

Along with all the above assets, you will also need to show the annual income of your sponsors. This is generally required to prove that your sponsors can sustain themselves while providing money for your education.

The annual income may include income from one of your Liquid assets such as FD Interest or pay-offs from other investments. In this case, make sure that their income excluding these sources is sufficient.

DOCUMENTS REQUIRED: Income Tax Returns of the past 3 years of each sponsor. If IT Returns of the current year have not been filed, carry salary slips, bills, receipts, or any other proof of income over the past year as applicable.

6) HOW DO I SHOW THESE FUNDS TO THE VO?

There are two ways:

1. Prepare a consolidated statement in tabular format. It should have three columns - Asset, Value in Rupees, and Value in Dollars. Have four separate sections for all the above four forms of funds.
2. Prepare a Fund Flow Statement. State the funds required for your education semester-wise and the source of funds for each semester. So you will have three columns - Semester, Funds Required, and Source of Funds.

We recommend option 1 since I have heard cases where VOs get suspicious about the involvement of a counselor on seeing the Fund Flow Statement. You do not need to get these documents from any CA. You can make them yourself.

G) WHAT OTHER DOCUMENTS DO I NEED FROM MY SPONSOR?

The most important document you will need from your sponsor is an Affidavit of Support. Mention only the amount of Liquid Funds made available by each sponsor on the Affidavit. Do not mention Non-Liquid Funds.

Here is the format:

Quote: AFFIDAVIT OF SUPPORT

This is a Financial Affidavit of Support for Mr/Mrs/Ms. (Self). I Mr/Mrs/Ms. (Sponsor), (relation) of (Self), am willing and able to pay a sum up to USD XXXX/- equivalent to Rs. XXXX/- (In Words) for my (Relative's) education at (University Name). Please find enclosed the necessary documents that support the same.

Sincerely,
(Sponsor)

The Affidavits must be printed on a stamp paper of a minimum Rs.20 value and then signed and notarized. Alternatively, you can print the affidavit on paper and get Franking done. Notarize it after that. It is recommended that each sponsor have a separate Affidavit made since each will have a separate set of documents.

Some information on Bank Certificates:

- It is issued by the bank where your sponsor has a savings account.
- It must be on the letterhead of the bank.
- All copies must be signed by the Branch Manager.
- In case the bank issues only one original copy, all the photocopies must be signed.
- Copies must be attested by the same Branch Manager.
- This certificate is not required to be in a sealed envelope.
- Usually, the balance in the account is equivalent to the first.
- Yearly expenses of the most expensive University that you have short-listed.
- You must request the bank to mention the balance in your account in US dollars.
- It could be as per the market rate of the date of issuance of the certificate.

The following is a format for the Bank Certificate:

To whom it may concern

This is to certify that Mr/Ms _____ is/are having a Saving Bank Account Number _____ with our Branch/Bank for the past _____ years. The transactions in this account have been satisfactory since then. The balance in the account as of *(date)* is Rs._____ which is equivalent to _____ US dollars as per today's market rate.

Signature and Name
Branch Manager