

Background:

RBL Bank Limited (“the Bank”) is authorised by the Reserve Bank of India (RBI) to function as an Authorised Dealer Category-I (AD-I) Bank under Section 10 of the Foreign Exchange Management Act, 1999 (FEMA).

In this capacity, the Bank is authorised to facilitate permitted foreign exchange transactions for its customers in accordance with FEMA and the Rules, Regulations and Directions issued thereunder.

The Reserve Bank of India (RBI), in consultation with various stakeholders, has undertaken a comprehensive review of the regulatory framework governing the export and import of goods and services under the Foreign Exchange Management Act (FEMA), 1999. In terms of Regulation 19 of the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026, the Bank is required to put in place a separate, comprehensive and well documented internal policy and Standard Operating Procedure for handling and reporting transactions relating to the export and import of goods and services and Merchanting Trade Transactions. These Regulations shall come into effect from October 1, 2026.

The Bank shall apply risk-based due diligence while handling trade transactions. The nature and extent of due diligence, scrutiny and documentation shall be proportionate to the customer profile, overseas counterparty, country, goods or services, transaction value, tenor, structure, complexity and relevant risk indicators. The Bank may seek additional information, declarations or supporting documents where reasonably necessary to establish the genuineness, purpose and regulatory permissibility of a transaction and to comply with applicable KYC, AML/CFT, sanctions and other legal and regulatory requirements.

This Policy has been formulated in accordance with the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026 and other applicable rules, regulations, directions and instructions issued under the Foreign Exchange Management Act, 1999, as amended from time to time.

The Policy sets out the overarching framework for handling transactions relating to the export and import of goods and services and Merchanting Trade Transactions. Detailed operational procedures, internal controls, documentation requirements, approval processes and functional responsibilities shall be prescribed in the Bank’s internal Standard Operating Procedures and related operational documents.

Where another applicable law, regulation, RBI or DGFT instruction, sanctions requirement, or direction of a court, regulator or competent authority imposes an additional or inconsistent requirement, the applicable legal or regulatory requirement shall prevail to the extent of such additional requirement or inconsistency.

Sr. No.	Particulars	Details
1.	Scope of Policy	<p>The Policy governs the services offered by the Bank to its customers in relation to export, import and Merchanting Trade Transactions. It has been formulated in accordance with the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026, notified by the Reserve Bank of India and effective from October 1, 2026.</p> <p>This Policy includes the following:</p>

		<p>(a) List of documents (b) Extension of the time-period for export realisation and repatriation / import payments. (c) Adjustment (under, over and non-realisation) of export proceeds to be realised and repatriated. (d) Advance receipts for exports and advance payments for imports. (e) Delegation of powers for internal approvals for each process. (f) Export factoring and import factoring. (g) Merchanting Trade Transactions</p> <p>The Policy is intended to facilitate efficient and risk-based handling of legitimate foreign trade transactions while ensuring compliance with FEMA and the applicable rules, regulations, directions and instructions.</p> <p>Transactions initiated on or after October 1, 2026, shall be handled in accordance with this Policy, the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026, and other applicable regulatory instructions.</p> <p>In accordance with Regulation 20 of the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026, the Bank may handle export, import and Merchanting Trade Transactions undertaken before October 1, 2026, that required RBI approval under the erstwhile Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 or the erstwhile Master Directions on Export or Import of Goods and Services. Such transactions shall be considered based on the customer's request, supporting documents, genuineness of the transaction, applicable legal and regulatory requirements.</p>
2.	Policy Framework	<p>The Policy Framework establishes the overarching principles for handling transactions related to merchanting trade, import and export of goods and services, ensuring alignment with the Bank's internal processes and delegation of powers. The framework also lays down clear guidance on below.</p> <ul style="list-style-type: none"> ❖ Standard Operating Procedures (SOPs), ❖ Delegation of Powers ❖ Structured grievance redressal and appeal mechanism to enhance customer service. <p>The Policy Framework shall comprise the following documents:</p> <ol style="list-style-type: none"> 1. Instructions for processing Imports/Exports transactions Annexure I. 2. Exports/Imports – List of documents Annexure II <p>These documents shall be read in conjunction with each other and shall collectively constitute the Policy Framework. In the event of any inconsistency, the applicable law, regulation or regulatory direction shall prevail, followed by this Policy and thereafter the relevant internal SOP, operational guideline or matrix.</p> <p>Certain transactions, extensions, adjustments and other requests may require internal approval based on their nature, value, complexity and risk. Such requests</p>

		<p>shall be considered by the competent authority in accordance with the Bank's approved delegation of powers.</p> <p>Where a customer is dissatisfied with a decision taken by the Bank, the customer may use the grievance and appeal mechanism specified in this Policy and the Bank's Customer Grievance Redressal Policy. An appeal shall be considered by an authority higher than the authority that made the original decision and shall be handled in a fair, transparent and time-bound manner</p> <p>Where a customer has a grievance relating to the processing of an export, import or Merchanting Trade Transaction, or is dissatisfied with a decision taken by the Bank, the customer may submit the grievance or appeal through the Bank's Grievance Redressal and Appeal Portal, using the common link specified under Section B of this Policy.</p> <p>Compliance with LEI requirements shall be a pre-condition for processing transactions wherever mandated under FEMA, RBI regulations, or other applicable statutory guidelines.</p> <p>The Bank shall maintain appropriate processes and controls to ensure that regulatory reporting relating to export, import and Merchanting Trade Transactions is complete, accurate, timely and reconciled with the relevant transaction records. Any reporting error or delay shall be promptly identified, corrected and escalated in accordance with applicable regulatory requirements and the Bank's internal SOP.</p>
3.	Area of Coverage/ Operations	<p>This Policy shall apply across the Bank to all branches, trade-processing units, and other functions involved in handling, monitoring or reporting permitted export and import transactions relating to goods, services, software and Merchanting Trade Transactions.</p> <p>The Policy shall apply to customers availing such services through the Bank, subject to applicable regulatory requirements, the Bank's customer-acceptance and risk-management framework and availability of the relevant product or service.</p> <p>Similar transactions shall be handled consistently. Any differential treatment or exception shall be based on documented regulatory, customer, country, counterparty, product or transaction-specific risk considerations and shall be approved in accordance with the Bank's internal SOP and delegation of authority.</p>
4.	Grievance Redressal and Appeal Mechanism	<p>Customers may raise a grievance or submit an appeal relating to the Bank's handling of export, import or Merchanting Trade Transactions through the Bank's Grievance Redressal and Appeal Portal, available at: RBL Bank Customer Care– Raise & Track Your Request or Complaint</p> <p>The same link shall be used for both grievances and appeals. The customer should select the appropriate category while submitting the request. Where a customer is dissatisfied with a decision taken by the Bank or the resolution provided against a grievance, the customer may submit an appeal through the same portal. The customer should provide the relevant transaction details, the original decision or complaint reference, reasons for the appeal and supporting documents, as applicable.</p>

		An appeal shall be reviewed by an authority higher than the authority that made the original decision. The appellate authority shall take a final decision based on the genuineness of the customer's submissions, the supporting documents and the applicable regulatory and internal requirements.
5	Policy Ownership	The Transaction Banking Product shall be the owner and custodian of this Policy.
6.	Review	<p>The first review of the Policy shall be undertaken after three months, i.e., in January 2027, based on the implementation experience and observations during the period from October to December 2026.</p> <p>This Policy shall be reviewed at least once every year or earlier, if required, on account of regulatory changes, supervisory directions, material business developments, or significant changes in the Bank's operating environment.</p> <p>Additionally, an interim review of the Policy may be undertaken based on market developments, evolving industry standards to ensure that the Bank remains aligned with prevailing market practices and regulatory expectations. While considering such changes, due consideration shall be given to the Bank's risk appetite, internal governance framework, operational feasibility, customer interests, and applicable regulatory requirements. Any revisions to the Policy shall be approved in accordance with the prevailing Internal Approval Matrix.</p> <p>In the event of any regulatory changes, the Transaction Banking Product Team may issue any modification in Operating Guidelines by means of a Trade Advisory as required to be compliant with the new regulatory norms with subsequent ratification by respective committee of the Bank.</p>
7.	Record Retention and Document Management	<p>All documents and records pertaining shall be maintained, preserved and retrieved in accordance with the Bank's prevailing Record Management Framework and applicable regulatory requirements.</p> <p>Such records shall include, but shall not be limited to:</p> <ul style="list-style-type: none"> • Underlying trade and transaction documents, wherever applicable; • Customer onboarding, KYC, due diligence and related records; • Internal approvals, exception approvals and escalation records; • EDPMS/IDPMS acknowledgements, system-generated logs and audit trails, wherever applicable; • Correspondence relating to extensions, reductions, set-off arrangements, third-party payments, factoring transactions and other approved exceptions; • Documents evidencing transaction\closure, regulatory reporting and compliance requirements. <p>The Bank shall ensure that such records are maintained with adequate security, accessibility and retrieval capability to facilitate internal audits, regulatory inspections, investigations and supervisory reviews.</p>
8.	Website disclosure-Publication Governance	The Bank shall publish the approved Policy and the main customer-facing features of the related SOP on its official website. The disclosure shall include, as applicable, the documents required, indicative processing timelines, applicable charges or a

		<p>reference to the Bank's Schedule of Charges, and the grievance and appeal mechanism available to customers.</p> <p>The Policy-owning function shall ensure that the published information remains accurate, accessible and consistent with the approved Policy and SOP. Material changes affecting customers shall be updated within a reasonable period from their effective date.</p>
9.	Monitoring, MIS and Review	<p>The Bank shall periodically monitor, and review export, import and Merchanting Trade Transactions handled by it. A quarterly Trade Compliance MIS shall be placed before the designated senior management committee, covering regulatory compliance, transaction ageing, exceptions, customer grievances and other material matters specified in the Bank's internal SOP. Identified gaps shall be addressed through appropriate corrective measures.</p>

A. Customer Facing Process Matrix

Process	Indicative Documents / Information	Indicative Timelines
Extension of Export Timelines	<p>The request must clearly specify:</p> <ul style="list-style-type: none"> • Shipping bill details • EDF or invoice details • Outstanding amount • Reasons for delay • Communication with Buyer • Revised expected date of realisation 	3-5 Working days
Export Reduction	<ul style="list-style-type: none"> • Customer declaration citing reason for reduction. • Credit note, quality or quantity dispute record or other evidence • Communication with Buyer • CA Certificate basis amount of reduction. 	3-5 Working days
Set off	<ul style="list-style-type: none"> • Customer request identifying the export receivable and import payable proposed to be set off. • Relevant Shipping Bill, EDF, invoice and Bill of Entry details • Underlying export and import contracts • Export/import documents • Any such other supporting information as may be required by the Bank. 	3-5 Working Days
Import extension	<ul style="list-style-type: none"> • Customer request specifying the relevant Bill of Entry or service invoice details • Outstanding amount • Contractual payment due date • Reasons for delay • Revised expected payment date • Communication with Buyer 	3-5 Working days

Import Advance	<ul style="list-style-type: none"> • Customer request • Underlying contract, purchase order or proforma invoice • Expected date of import • Other transaction-specific documents. <p>Note: Additional credit information, a credit opinion report, SBLC, bank guarantee, Letter of Credit or other acceptable risk mitigant may be required based on the applicable thresholds and risk parameters prescribed under the Bank's internal SOP.</p>	Ordinarily on the same working day where a complete request is received within the applicable cut-off time and all regulatory, compliance, credit and operational requirements are satisfied.
Third Party Receipt/ Payment	<ul style="list-style-type: none"> • Customer request explaining the reason for the third-party arrangement • Underlying trade documents and evidence establishing the identity, relationship or commercial basis of the third-party receipt or payment, such as a tripartite agreement, assignment arrangement, group/associate confirmation or other acceptable supporting document. 	Ordinarily on the same working day where a complete request is received within the applicable cut-off time and all regulatory, compliance, credit and operational requirements are satisfied.
Project Export Onboarding	<ul style="list-style-type: none"> • Customer request • Project intimation • Relevant project contract • Project details and expected cash flows • Proposed receipts and payments • Guarantee or Letter of Credit documents, where applicable. 	3-5 working days
Merchanting Trade	<ul style="list-style-type: none"> • Customer request • Purchase and sale contracts • Invoices for both legs • Transport document evidencing movement of goods from the overseas seller's country to the overseas buyer's country • Any such information as may be required to establish transaction linkage, genuineness and compliance with the Foreign Trade Policy. 	Ordinarily on the same working day where a complete request is received within the applicable cut-off time and all regulatory, compliance, credit and operational requirements are satisfied.
Factoring	<ul style="list-style-type: none"> • Customer request • Factoring or receivables-assignment agreement • Underlying invoices and trade documents • Notice or acknowledgement of assignment • Settlement and recourse terms 	Inward/Outward Remittance - Ordinarily on the same working day where a complete request is received within the applicable

	<ul style="list-style-type: none"> Any other documents required to establish the factoring arrangement and the treatment of related export or import proceeds. 	cut-off time and all regulatory, compliance, credit and operational requirements are satisfied.
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Note:

The documents and information listed in this matrix are indicative. Depending on the nature, value, complexity and risk profile of the transaction, the Bank may seek additional information, clarification or supporting documents reasonably necessary to establish the genuineness and regulatory permissibility of the transaction.

The indicative processing timeline shall commence upon receipt of a complete request, the required information and documents and any clarification sought by the Bank. The timeline may vary where the transaction requires enhanced due diligence, third-party confirmation, regulatory clarification or approval under the Bank's delegation of authority.

Charges shall be levied in accordance with the Bank's published Schedule of Charges. No charge or penalty shall be levied merely on account of a regulatory delay or violation by the customer. Where a request is declined or not processed within the indicative timeline, the customer may use the grievance and appeal mechanism published by the Bank. Where a request is delayed, declined or not processed within the indicative timeline, the customer may raise a grievance or submit an appeal, as applicable, through the Bank's Grievance Redressal and Appeal Portal, using the common link provided under Section B of this Policy.

B. Schedule of Charges

Charges for handling trade transactions and related processes shall be reasonable, proportionate to the services rendered and levied in accordance with the Bank's published Schedule of Charges. No charge or penalty shall be levied merely because of a regulatory delay or violation attributable to an exporter, importer or merchanting trader. The Bank may levy the applicable published charges for an actual service rendered in connection with the transaction, provided such charges are not linked to the period or amount of the delay or violation.

The Bank's prevailing Schedule of Charges is available under the "Service Charges and Fees" section of its official website. Link of the same is >> [Service Charges & Fees | RBL Bank](#)

C. Escalation and Grievance Redressal

The Bank has established a documented escalation, grievance redressal and appeal mechanism for customer requests that are delayed or declined.

Customers may initially contact their Relationship Manager, Wholesale Client Service Manager or Trade Service Manager for operational assistance. A formal grievance or appeal may be submitted through the Bank's Grievance Redressal and Appeal Portal at:

[RBL Bank Customer Care– Raise & Track Your Request or Complaint](#)

Where the customer is dissatisfied with the original decision or grievance resolution, an appeal may be submitted through the same portal for review by an authority higher than the original decision-maker. The customer should select the appropriate category and provide the relevant transaction details, previous complaint, decision reference and supporting documents.

Level	Responsible Authority	Indicative Response Time	Mode
Level 1 Operational	Wholesale Client Service/ Relationship Manager	Within a reasonable period, generally up to 2 Business Days	Email/Phone/Service Request.
Level 2 Business/ Trade Head	Zonal Business Head/ Head- Global Trade Services Operations	Within a reasonable period, generally up to 3 Business Days	
Level 3 Senior Management	Head-Transaction Banking Product	Within a reasonable period, generally up to 5 Business Days	
Final Internal Review	Cross Border Transaction Approval Authority (CBTAA)	Within a reasonable period, generally up to 7 Business Days	

The above timelines are indicative and shall commence upon receipt of a complete grievance or appeal, including the relevant transaction details and supporting documents. Where additional information, regulatory clarification, third-party confirmation or enhanced due diligence is required, the customer shall be informed of the revised expected response timeline.

D. Intimation to the Customer

Upon processing a trade transaction, the Bank may provide an automated transaction confirmation through an approved channel, such as SMS, email or a digital banking platform.

Where a customer requests an available certificate, transaction advice, EDPMS or IDPMS extract, or other documentary confirmation, the Bank shall provide or facilitate the same within two to five working days from receipt of a complete request, subject to system availability and the applicable regulatory process.

No charge shall be levied for automated transaction confirmations. Charges for customer-requested certificates, extracts or other documents may be levied in accordance with the Bank's published Schedule of Charges, provided that such charges are reasonable and proportionate to the service rendered.

Policy Approval & Amendment:

Particular	Details
Policy Owner	Transaction Banking Product
Approving Authority	Executive Risk Committee
Effective Date	01 st October 2026
Review Frequency	The first review of the Policy shall be undertaken after three months, i.e., in January 2027, based on the implementation experience and observations during the period from October to December 2026.

	Annual/Additionally, an interim review of the Policy may be undertaken based on market developments, evolving industry standards to ensure that the Bank remains aligned with prevailing market practices and regulatory expectations.
Version	1.0
Related SOP	Bank specific SOP on Import/Export transactions

Policy on Export, Import of Goods, Services and Merchanting Trade Transactions

A.1: INTRODUCTION11

A.2 DECLARATION OF EXPORTS (EDF) (REGULATION 3)	13
A.3 MANNER OF RECEIPT AND PAYMENT EXPORT/IMPORT TRANSACTIONS (REGULATION 4)	16
A.4 TIME PERIOD FOR REALISATION OF EXPORTS (REGULATION 5)	18
A.5 REDUCTION IN EXPORT REALISATION – UNDER-REALISATION AND NON-REALISATION (REGULATION 6)	20
A.6 SET OFF EXPORT RECEIVABLES AGAINST IMPORT PAYABLES (REGULATION 7)	24
A.7 THIRD-PARTY RECEIPTS AND PAYMENTS FOR EXPORT AND IMPORT TRANSACTIONS (REGULATION 8)	25
A. 8 ADVANCE RECEIPTS FOR EXPORTS AND ADVANCE PAYMENTS FOR IMPORTS – (REGULATION 10)	26
8.1 IMPORT NOT MATERIALIZED (REGULATION 12)	29
A.9 UNREALISED EXPORTS (REGULATION 13)	30
A.10 EXPORT OF GOODS AND SERVICES AGAINST REPAYMENT OF STATE CREDITS (REGULATION 14)	31
A.11 PROJECT EXPORT (REGULATION 15)	31
A.12 MERCHANTING TRADE TRANSACTION (MTT) (REGULATION 16)	37
A.13 INTERNATIONAL TRADE INVOICING AND SETTLEMENT IN INDIAN RUPEES (INR) (REGULATION 17)	40
A.14 EDPMS REPORTING, MONITORING AND CLOSURE (REGULATION 18)	41
A.15 CLOSURE OF ENTRIES UP TO ₹10 LAKH – DECLARATION FRAMEWORK	43
A.16 FACTORING TRANSACTIONS	44

APPENDIX -II – OPERATIONAL GUIDELINES (IMPORTS)47

B.1 TIME LIMIT FOR SETTLEMENT OF IMPORT PAYMENTS (REGULATION 9)	48
B.2 DEFERRED IMPORT PAYMENTS AND TRADE CREDIT	50
B.3 THIRD PARTY PAYMENT FOR IMPORT TRANSACTIONS (REGULATION 8)	51
B.4 INTEREST ON IMPORT BILLS	52
B.5 IMPORT OF GOLD AND SILVER (REGULATION 11)	53
B.6 IDPMS REPORTING AND CLOSURE OF ENTRIES (REGULATION 18)	54
B.7 PROCESSING OF HIGH SEA SALES	55
B.8 RECEIPT OF IMPORT DOCUMENTS BY THE IMPORTER/BANK DIRECTLY FROM OVERSEAS SUPPLIERS	56
B. 9 EVIDENCE OF IMPORT IN LIEU OF BILL OF ENTRY (BOE)	58

Instructions for processing Imports/Exports transactions Annexure I.

A.1: Introduction

(i) Export transactions are governed by the Foreign Trade Policy and the Handbook of Procedures issued by the Directorate General of Foreign Trade, the Customs framework, FEMA and the Rules, Regulations and Directions issued thereunder, and other applicable laws and regulatory requirements.

(ii) The Bank shall handle export transactions in accordance with the prevailing Foreign Trade Policy, the Handbook of Procedures and other applicable rules, directions and instructions issued by the Government of India, the Reserve Bank of India, the Directorate General of Foreign Trade and other competent authorities. This Policy shall be read together with Notification No. FEMA 23(R)/2026-RB dated January 13, 2026, namely, the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026, as amended from time to time.

(iii) Export of goods and services from India, including declaration, realisation and repatriation of export proceeds, shall be governed by Sections 7 and 8 of the Foreign Exchange Management Act, 1999, read with Notification No. FEMA 23(R)/2026-RB dated January 13, 2026, namely, the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026, and other applicable rules, regulations, directions and instructions issued under FEMA, as amended from time to time.

(iv) Issuance of Guarantees and Standby Letters of Credit shall be governed by the provisions of the Foreign Exchange Management (Guarantees) Regulations, 2026 [FEMA 8(R)], as amended from time to time, and shall be read in conjunction with the Bank's approved Product Note on Bank Guarantees, Credit Policy and the prescribed SOPs governing operational processing and control requirements.

(v) Export contracts may be denominated and invoiced in Indian Rupees, subject to compliance with Regulation 17 and the prevailing guidelines, directions and instructions issued by the Reserve Bank of India relating to international trade invoicing and settlement in Indian Rupees.

(vi) Receipts and payments relating to the export and import of goods and services shall be made in the manner prescribed under the Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2023, as amended from time to time.

(vii) The Bank shall credit or debit the account of an exporter or importer only after satisfying itself regarding the genuineness of the underlying transaction and shall simultaneously close or update the corresponding entry in EDPMS or IDPMS, as applicable.

(viii) "Outstanding" shall mean an export, import or Merchanting Trade Transaction entry that remains pending beyond the applicable contractual or regulatory period, including any extension allowed by the Bank or another Authorised Dealer, as applicable. The status and regulatory consequences of an outstanding entry shall be determined separately for each transaction type in accordance with the relevant provisions of these Regulations.

(ix) "Software" means any computer programme, database, drawing, design, audio/video signals or information by whatever name called, contained in or transmitted through any medium other than a physical medium. For the purposes of this Policy, references to "services" shall include software, unless the context otherwise requires.

(x) For the purpose of this Policy, 'Export' includes the taking or sending out of goods by land, sea or air, on consignment or by way of sale, lease, hire-purchase, or under any other arrangement by whatever name called, and in the case of software, also includes transmission through any electronic media.

(xi) For the purpose of this Policy, "Export value", in relation to export by way of lease or hire-purchase or under any other similar arrangement, includes the charges, by whatever name called, payable under such lease, hire-purchase or similar arrangement.

(xii) All trade-related transactions handled by the Bank shall be subject to applicable Know Your Customer, Anti-Money Laundering (AML), Countering the Financing of Terrorism (CFT), sanctions compliance and Trade-Based Money Laundering (TBML) controls. The Bank shall undertake risk-based due diligence, screening, monitoring and assessment in accordance with applicable laws, regulations and internal policies.

A.2 Declaration of Exports (EDF) (Regulation 3)

2.1. Purpose

This section sets out the requirements for submission, processing and reporting of Export Declaration Forms for export of goods, services and software, in accordance with applicable FEMA regulations and RBI guidelines.

2.2. Definitions

- **EDF (Export Declaration Form):** means the form prescribed under the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026 for declaration of export of goods, services and software, as applicable.
- **EDI Port:** Customs port with electronic data interchange system.

2.3. EDF Submission Details

Sr. No.	Particulars	Requirements of submission of EDF to the Bank	Specified Authority	Timelines for submission to the Bank	Documentation/Process
1.	Export of goods through EDI Port	The EDF shall be deemed to have been submitted as part of the Shipping Bill.	1. Commissioner of Customs in Domestic Tariff Area (DTA) 2. Development Commissioner of Special Economic Zone (SEZ) in SEZ	Within 21 days from shipment. This is an internal processing timeline and not a regulatory EDF-submission deadline.	Customer to provide details of shipping bill along with underlying invoice & transport documents. If customer is status holder/SEZ unit; valid Certificate issued by respective authorities needs to be submitted. Note: Bank will lodge bill and upload details on EDPMS Portal within 2 working days.
2.	Export of goods Non-EDI Port	Yes, the authenticated EDF shall be forwarded or submitted in accordance with the applicable regulatory process.	1. Commissioner of Customs in Domestic Tariff Area (DTA) 2. Development Commissioner of Special Economic Zone (SEZ) in SEZ	21 days from date of certification by specified authority. This is an internal processing timeline and not a regulatory EDF-submission deadline.	Customer to provide Export Declaration Form duly signed and stamped. (Annex) along with invoice & underlying transport documents. Bank to report the Shipping Bill details to RBI through EDPMS Platform. Note: The bank shall enter details to EDPMS for NON-EDI port within 5 working days from date of receipt of Form from the customer.

3.	Export of Services (Other than Software)	Yes	DTA: AD Bank SEZ: Development Commissioner of Special Economic Zone (SEZ) in SEZ	<p>Within 30 days from the end of the month in which invoices for services has been raised. (i.e. If invoice is raised on between - 01st & 30th June 2026, EDF need to be submitted on or before 31st July 2026)</p> <p>Note: <i>Where a service exporter submits a consolidated EDF covering multiple recipients or invoices for a calendar month, the invoice-wise details shall be uploaded or reported through the facility and fields prescribed under the applicable EDPMS process.</i></p>	<p>For Services (Bank is specified Authority in DTA)</p> <ol style="list-style-type: none"> 1. Customer to provide Export Declaration Form duly signed and stamped. (Annex) 2. Copy of Service Invoice/ PO /Underlying contract/ Service Agreement/Customer statement providing gist of invoices raised and services rendered 3. Duly signed and stamped Form EDF wherein specified authority is Development Commissioner of Special Economic Zone (SEZ) in SEZ 4. An exporter that has exported services to one or more recipients during a calendar month may submit a single consolidated EDF covering all such exports for that month, together with invoice-wise details in the prescribed manner. <p>Note: The bank shall certify and enter details on EDPMS within 5 working days from receipt of Form from the customer.</p>
4.	Declaration	Yes (<i>Where the EDF is submitted to STPI or the</i>	DTA: An Authorised	The EDF for export of	Customer to provide Form EDF for software exports details along

of Export of Services (Software)	<i>Development Commissioner of the SEZ as the specified authority, separate submission to the Bank is not required. The duly authenticated EDF shall be forwarded or reported in accordance with the applicable regulatory process</i>	Dealer/ Software Technology Parks of India (STPI) and SEZ: Development Commissioner of Special Economic Zone (SEZ)	software shall be furnished within 30 days from the end of the month in which the invoice is raised.	with underlying Invoice/Contract Copy/ Customer statement providing gist of invoices. For software exports from DTA, the EDF may be furnished to the Bank or STPI, as applicable. For software exports from an SEZ, the EDF shall be furnished to the Development Commissioner of the relevant SEZ. Reporting or forwarding of the authenticated EDF shall be undertaken in accordance with the applicable regulatory process. Note: The Bank shall authenticate and enter the EDF details in EDPMS within five working days from receipt of the complete EDF and supporting information. In case STPI/SEZ is acting as specified authority, the authenticated EDF shall be forwarded or reported in accordance with the applicable regulatory and EDPMS process.
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Note:

1. EDF requests can be submitted by customers physically at branch & also the channels made available by the Bank from time to time, including branch and electronic channels, where enabled.
2. Where a service exporter submits a single consolidated EDF covering multiple service recipients and multiple invoices for a calendar month, The Bank will create individual entries in EDPMS for each underlying invoice / recipient within 5 working days of receiving the consolidated EDF, Single EDF with file upload option for invoice wise details are available.
3. A traveller taking or sending personal effects out of India, whether as accompanied or unaccompanied baggage, shall not be treated as an exporter for the purpose of these Regulations.
4. The provisions shall apply to all exports routed through EDI and non-EDI channels. Exports through land, sea, air, road, rail, river, post, courier or other permitted channels shall comply with the applicable EDF, Customs and EDPMS requirements prescribed for the relevant mode of export.

2.4 Extension of Time for Submission of EDF

Where an exporter is unable to submit the EDF within the period or in the manner prescribed for export of goods, services or software, the exporter may request an extension by providing the reasons for the delay and the revised expected date of submission. The Bank may allow the extension after satisfying itself regarding the reasons cited by the exporter.

The request shall include:

- details of the underlying export transaction;
- reasons for the delay;
- the revised expected date of EDF submission; and
- such supporting information or documents as may be required by the Bank, considering the nature and circumstances of the delay.

Requests involving a delay exceeding 90 days shall be considered under the Bank's applicable delegation of authority. The 90-day period is an internal approval threshold and shall not be construed as a regulatory deadline or as a restriction on the Bank's ability to consider a delayed request on its merits.

2.5 EDF- Exports without consideration

Where goods are exported without consideration, including goods sent on a free-of-cost basis or for samples, exhibitions, testing, repair, replacement or subsequent re-import, the exporter shall submit the prescribed Export Declaration Form to the Specified Authority and declare the export value as NIL, where no foreign exchange consideration is involved.

A GR/EDF waiver or separate approval from the Bank shall not be required for such export.

In cases involving subsequent re-import of goods, the exporter shall submit the relevant Bill of Entry or other applicable evidence of re-import to the Bank for monitoring and closure of the corresponding entry, as applicable.

Such transactions shall remain subject to the applicable Foreign Trade Policy, Customs, DGFT, sanctions, KYC/AML and other regulatory requirements. The exporter shall provide such information or documents as may reasonably be required by the Bank to establish the nature and genuineness of the transaction.

A.3 Manner of Receipt and Payment Export/Import Transactions (Regulation 4)

Receipts and payments relating to the export and import of goods and services shall be made through an Authorised Bank or Authorised Person and in the manner prescribed under the Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2023, as amended from time to time.

The Bank shall credit or debit the customer's account only after satisfying itself regarding the genuineness of the underlying transaction and shall simultaneously update or close the corresponding entry in EDPMS or IDPMS, as applicable.

All receipts and payments shall be supported by appropriate information and documents relating to the underlying bona fide trade transaction. The Bank shall maintain relevant records in accordance with the applicable regulatory and record-retention requirements.

Permitted modes of receipt and payment:

Sr. No.	Receipt/Payment Mode	Permitted Currency and Regulatory Treatment
1.	Transactions through Payment Aggregators	Eligible export and import-related receipts or payments through a Payment Aggregator-Cross Border or another permitted payment intermediary shall be processed in accordance with the applicable RBI directions governing such arrangements.
2.	Transactions involving Nepal and Bhutan	Receipts and payments for eligible exports and imports shall ordinarily be made in Indian Rupees. In the case of exports from India, where the importer in Nepal has been permitted by the Nepal Rastra Bank to make payment in foreign currency, the export proceeds may be received in such foreign currency.
3.	Transactions involving countries other than ACU member countries, Nepal and Bhutan	Receipts and payments may be made in Indian Rupees or in a permitted foreign currency, subject to the applicable regulatory framework.
4.	Transactions involving ACU member countries	Receipts and payments shall be made through the ACU mechanism where applicable, or in another manner permitted under the prevailing Foreign Exchange Management (Manner of Receipt and Payment) Regulations and directions issued by RBI from time to time.
5.	INR trade settlement	Receipts and payments through a Special Rupee Vostro Account or another permitted INR settlement arrangement shall comply with Regulation 17 and the prevailing RBI directions relating to international trade settlement in Indian Rupees.

Receipt of Export Proceeds

The Bank shall credit eligible export proceeds to the exporter's account without undue delay after receipt of funds and completion of the applicable transaction, sanctions, KYC, AML/CFT and other regulatory checks.

The exporter shall provide the relevant Shipping Bill, EDF or invoice details, remittance particulars, purpose code, underlying contract or purchase order, transport documents where applicable, and such other information as may reasonably be required by the Bank.

Where the inward remittance represents an advance against exports, the exporter shall provide details of the underlying export contract and the expected shipment or performance date for recording and monitoring the advance under Regulation 10.

Note:

1. The Bank may seek additional information, declarations, clarification or supporting documents based on the nature, value, complexity and risk profile of the transaction.

2. Transaction advice or confirmation may be made available through the customer's registered communication channel or an electronic banking channel made available by the Bank.
3. Charges for handling trade transactions and related processes shall be reasonable, proportionate to the services rendered and levied in accordance with the Bank's published Schedule of Charges. No charge or penalty shall be levied on an exporter, importer or merchanting trader merely on account of a regulatory delay or violation attributable to that constituent.
4. The Bank shall ensure that export proceeds received are credited to the exporter's account without undue delay, subject to completion of compliance checks. Credit shall be effected promptly upon receipt of funds and completion of necessary verification.
5. The Bank shall endeavour to complete credit on same day if remittances received during market hours from the date of receipt of credit advice/Nostro statement, provided all documentation and compliance requirements are in order.
6. Saturday / Sunday / Public Holidays should be treated as non-working day from a day calculation perspective.
7. For trade transactions involving goods, the supporting documents may include invoices, contracts/agreements, shipping documents, and such other documents as may be prescribed from time to time. For services-related transactions, supporting documents may include the underlying invoice, copy of the relevant contract/agreement, and other appropriate documentary evidence.
8. Detailed documentation, processing procedures, FETERS reporting, reconciliation, system controls and exception-handling requirements shall be governed by the Bank's internal SOP and applicable regulatory instructions.

A.4 Time Period for realisation of exports (Regulation 5)

The amount representing the full export value (or reduced export value in terms of Regulation 6 of these Regulations) of goods and services shall be realised (including by way of set-off in terms of Regulation 7 of these Regulations) and repatriated by the exporter within the period as specified below:

Sr. NO.	Particulars	Timelines for Realization
1.	Export of goods/services (other than goods exported to a warehouse outside India)	For export of goods: 09 months from the date of shipment. For export of services: 09 months from the date of invoice in case of services.
2.	Sale of goods from the warehouse in case of goods exported to a warehouse outside India	09 months from the date of sale of goods from the warehouse Note: Export of goods invoiced in Indian Rupees and sold from a warehouse established outside India: Within 12 months from the date of sale of the goods from the overseas warehouse.
3.	Project Exports	In accordance with the payment terms specified in the underlying project contract.

4.	Export of goods and services is invoiced or settled in Indian Rupees	For export of goods: 12 months from the date of shipment & For Services: 12 months from the date of invoice.
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Note: For these guidelines, “services” shall also include software

The Bank shall monitor and follow up with exporters for realisation and repatriation of export proceeds within the applicable period.

4.1 Procedure for Extension of Realisation Period

Where an exporter is unable to realise and repatriate export proceeds within the applicable realisation period, the exporter may request an extension by providing the reasons for the delay and the revised expected date of realisation.

The exporter should ordinarily submit the extension request before expiry of the applicable realisation period. A request received after expiry may also be considered on its merits and shall not be rejected solely because it was submitted after the original due date. Every extension beyond the prescribed realisation period shall be approved under the applicable delegation of authority after recording satisfaction with the reasons provided.

- The request shall include:
 - The relevant Shipping Bill, EDF or invoice details, as applicable;
 - The amount outstanding;
 - The reasons for delay;
 - The revised expected date of realisation;
 - Communication with Buyer.

The Bank may allow an extension after satisfying itself regarding:

- The reasons cited by the exporter which shall include reasons for non-realisation and reason for delayed submission of the request, where applicable;
- The genuineness of the underlying export transaction;
- The exporter’s compliance and export-realisation history; and
- The revised expected timeline for realisation.

The period of extension shall be determined with reference to the reasons for delay, supporting information, expected date of realisation and transaction circumstances. Repeated or prolonged extension requests may be subject to enhanced review.

Each extension beyond the applicable realisation period shall be approved under the Bank’s delegation of authority and the basis of the decision shall be appropriately documented.

The Bank shall ordinarily dispose of a complete extension request within two to three working days. The indicative timeline may vary where additional information, third-party confirmation, enhanced due diligence, regulatory clarification is required.

Where an extension is allowed, the revised due date shall be communicated to the exporter and updated in EDPMS in accordance with the applicable regulatory process.

This provision shall apply to export of goods, services and software.

A.5 Reduction in export realisation – Under-realisation and Non-realisation (Regulation 6)

The Bank may, on request from the exporter citing reasons for under-realisation or non-realisation of full export value, permit reduction in the amount required to be realised and repatriated, after satisfying itself regarding the reasons cited and the genuineness of the underlying transaction.

Where the original declared export value is up to ₹10 lakh, or its equivalent in foreign currency, per Shipping Bill for export of goods or per invoice for export of services, including software, reduction in export value, including full non-realisation, may be permitted based on a declaration submitted by the exporter.

For determining eligibility under the ₹10 lakh declaration framework, the threshold shall be reckoned with reference to the original declared value of the relevant Shipping Bill or invoice and not the residual or outstanding amount.

Types of Cases Covered

- **Under-realisation:** Partial receipt against export invoice &
- **Non-realisation:** No receipt due to valid commercial reasons

Reasons for reduction or non-realisation may include quality or quantity disputes, rejection or short shipment, commercial discount, price renegotiation, contractual adjustment, buyer default or insolvency, settlement of a dispute, loss of goods, insurance settlement or any other genuine commercial, legal or operational reason acceptable to the Bank.

Under-Realization and Closure of Export Entries

For Under-Realization cases, the Bank shall assess the request having regard to:

- the genuineness of the underlying export transaction;
- the reason and commercial rationale for the reduction or non-realisation;
- the adequacy and consistency of the information provided;
- the exporter's compliance and export-realisation history;
- any investigation, restraint, attachment, adverse regulatory information or financial-crime concern affecting the relevant transaction;
- possible over-invoicing, under-invoicing, sanctions, fraud or Trade-Based Money Laundering indicators; and
- the applicable regulatory-reporting and EDPMS closure requirements.
- Exporter should not be on caution list & Exporter should not be under ED/CBI/DRI/FIU/adverse regulatory investigation.

Where the relevant transaction or exporter is subject to an investigation, restraint, attachment or adverse regulatory direction, the request shall be considered only after receipt of any approval, clearance or no-objection required from the competent authority.

For eligible transactions up to ₹10 lakh, additional information or documents may be sought where the declaration is incomplete, inconsistent with the Bank's records or requires further verification based on the nature or risk profile of the transaction.

The exporter shall be responsible for surrendering or appropriately adjusting any export incentives attributable to the reduced or unrealised portion, wherever required under the prevailing Foreign Trade Policy or DGFT instructions.

The Bank shall update or close the corresponding EDPMS entry after approval of the reduction or non-realisation and completion of the applicable regulatory and internal requirements.

The detailed documentation, approval thresholds, delegation of authority, monitoring and EDPMS procedures shall be governed by the Bank's internal SOP.

Indicative Documentation Requirements for Reduction of Export Proceeds:

Sr. No.	Scenario - Original Declared Export Value	Indicative Documentation/Conditions
1.	SB/EDF up to INR 10 lakh=FCY	<p>Customer declaration along with relevant details. This provision shall be applicable to both export of goods and export of services transactions.</p> <p>Note: Reduction may be considered based on the exporter's declaration. The Bank may seek clarification or additional information where necessary to establish the genuineness of the transaction.</p>
2.	SB/EDF above INR 10 lakh=FCY (The reduction does not exceed 25 per cent of invoice value)	<p>Customer letter confirming amount of reduction sought below points</p> <ul style="list-style-type: none"> • It does not relate to export of commodities subject to floor price stipulations • The exporter is advised to surrender proportionate export incentives availed of, if any. • Shipping bill & invoice details along with details of original export value vs realised value. • The exporter is not on the exporters' caution list of the Reserve Bank.
3.	SB/EDF above INR 10 lakh=FCY (Greater than 25% up to 100% non-realization)	<ul style="list-style-type: none"> ❖ In the case of exporters who have been in the export business for more than three years. ❖ the export outstanding do not exceed 5 per cent of the average annual export realization during the preceding three financial years. ❖ Export documents need to be routed through the banking channel. (Not applicable for status holder and SEZ Units) <p>Customer letters as per Bank format Reduction may allow subject to following –</p>

		<ul style="list-style-type: none"> ❖ Customer relationship with the Bank should be at least six months old, with satisfactory account operations and compliance conduct. ❖ Repeated instances of invoice value reductions for the same exporter or buyer should be monitored and subjected to enhanced scrutiny. ❖ Reduction in invoice value should be supported by valid documentary evidence such as, quality/quantity dispute records, commercial correspondence, or any other acceptable justification from the overseas buyer.
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Note: For reckoning the percentage of export bills outstanding to the average export realizations during the preceding three financial years, outstanding of exports made to countries facing externalization problems may be ignored provided the payments have been made by the buyers in the local currency.

Non-Realization and Closure of Export Entries

Where no export proceeds have been realised against an export of goods, services or software, the exporter may request the Bank to permit non-realisation of the full export value under Regulation 6 by submitting the reasons for non-realisation and the relevant transaction details.

The following conditions shall be complied with.

- ✓ Amount outstanding for more than 1 year from the applicable due date or extended due date
- ✓ Documentary evidence of efforts made for recovery
- ✓ Exporter is bank customer ≥ 6 months, KYC/AML compliant, bonafides established

The exporter shall submit a written request containing:

- the relevant Shipping Bill, EDF or invoice details, as applicable;
- the original declared export value;
- the reasons for complete non-realisation;
- details of efforts made to recover the export proceeds, where relevant; and
- supporting information or documents appropriate to the reason for non-realisation.

The reasons for non-realisation may include buyer default or insolvency, rejection or destruction of goods, loss of goods in transit, cancellation of the underlying contract, commercial or legal dispute, inability to recover the amount despite reasonable efforts, settlement of an insurance or ECGC claim, or any other genuine commercial, legal or operational reason acceptable to the Bank.

Based on the circumstances of the case, the Bank may seek relevant supporting documents, including but not limited to:

- correspondence with the overseas buyer;
- recovery or follow-up communication;
- legal notice or legal opinion;

- insolvency, liquidation or bankruptcy documents;
- contract cancellation or settlement agreement;
- evidence of rejection, destruction or loss of goods;
- insurance or ECGC claim documents and settlement advice;
- confirmation from the overseas buyer or other relevant party; or
- any other document reasonably required to establish the genuineness of the non-realisation.

The Bank may permit non-realisation after satisfying itself regarding:

- the genuineness of the underlying export transaction;
- the reasons for complete non-realisation;
- the adequacy and consistency of the information provided;
- the commercial or legal basis of the request;
- the exporter's export-realisation history;
- the absence of any applicable legal or regulatory prohibition; and
- compliance with applicable sanctions, AML/CFT, Trade-Based Money Laundering and regulatory- requirements.

Where the relevant transaction or exporter is subject to an investigation, restraint, attachment, litigation or adverse regulatory direction, the request shall undergo appropriate review and shall be processed only where not prohibited and after obtaining approval, clearance or no-objection required from the competent authority.

Where a claim has been settled by ECGC or an insurer regulated by the Insurance Regulatory and Development Authority of India, the exporter shall provide evidence of the claim settlement and details of any amount remaining unrecovered. The Bank may consider the unrecovered export value for non-realisation after satisfying itself regarding the claim and the relevant supporting information.

The exporter shall be responsible for surrendering or appropriately adjusting any export incentive attributable to the unrealised export value, wherever required under the prevailing Foreign Trade Policy or DGFT instructions.

Upon completion of the applicable requirements, the Bank shall update or close the corresponding EDPMS entry in accordance with the prescribed regulatory process.

The detailed documentation, approval levels, processing timelines, monitoring and EDPMS closure requirements shall be governed by the Bank's internal SOP and delegation of authority.

Note: Non-realisation or closure shall not ordinarily be permitted where export proceeds remain blocked abroad due to externalisation or similar restrictions. Such cases shall remain outstanding and be monitored until the proceeds are repatriated or otherwise dealt with under specific regulatory permission. The Bank may consider an extension based on the exporter's request and satisfactory supporting information.

Adjustment of Over-Realisation of Export Proceeds

Where the amount received against an export transaction exceeds the export value declared in the relevant Shipping Bill, EDF or invoice, the exporter shall provide the reason for the excess receipt and such information or supporting documents as may be required by the Bank to establish the nature, purpose and genuineness of the amount received.

After satisfying itself regarding the reason for the excess receipt, the Bank may adjust the amount against the relevant export transaction, treat it as an advance against a future export, adjust it against another eligible export transaction, or permit its refund or other treatment, as applicable, in accordance with the prevailing regulatory requirements.

The Bank shall ensure appropriate reporting, adjustment and closure of the related EDPMS or other applicable regulatory-system entries. Detailed documentation, approval and reporting requirements shall be governed by the Bank's internal SOP and delegation of authority.

A.6 Set off export receivables against import payables (Regulation 7)

The Bank may permit set-off of export receivables against import payables in accordance with applicable FEMA/RBI regulations, subject to verification of the genuineness of the underlying transactions, availability of complete documentary evidence, satisfactory KYC/AML compliance, and adherence to the Bank's approved SOP. Both export and import legs shall be reported separately in the prescribed regulatory returns and RBI reporting systems. The Bank may consider requests received from its Exporter/Importer customers for set-off of eligible export receivables against import payables:

- i. Set off of outstanding export receivables against outstanding import payables from/to the same overseas buyer/supplier.
- ii. Set off of outstanding export receivables against outstanding import payables with their overseas group/associate companies, through an in-house or outsourced centralized settlement arrangement within the stipulated period for realisation of export proceeds or extended period, if any, allowed by the Bank

The set-off shall be subject to the following conditions:

- a. The bank is satisfied with the bonafides of the transactions and ensures that there are no KYC/AML/CFT concerns;
- b. The invoices under the transaction are not under investigation by Directorate of Enforcement/Central Bureau of Investigation or any other investigative agency;
- c. Import/export of goods/services has been undertaken as per the extant Foreign Trade policy
- d. The export / import transactions with ACU countries are kept outside the arrangement;
- e. Set off of export receivables against goods shall not be allowed against import payables for services and vice versa.
- f. Import payables/export receivables are outstanding at the time of allowing set-off.
- g. In case of bilateral settlement, the set-off shall be in respect of same overseas buyer/supplier subject to it being supported by verifiable agreement/mutual consent.
- h. In case of settlement within the group/associate's companies, the arrangement shall be backed by a written, legally enforceable agreement/contract.

- i. Set off shall not result in tax evasion/avoidance by any of the entities involved in such arrangement.
- j. Third party guidelines shall be adhered to by the concerned entities, wherever applicable;
- k. The bank may seek Auditors/CA certificate wherever felt necessary.
- l. Each of the export and import transaction shall be reported separately (gross basis) in FETERS/EDPMS/IDPMS, as applicable.
- m. The Bank to settle the transaction in E/IDPMS by utilizing the 'set-off indicator' and mentioning the details of shipping bills/bill of entry/invoice details being settled in the remark column (including details of entities involved).

The export leg of the transaction shall be reported in the Export Data Processing and Monitoring System (EDPMS) as realization of export proceeds, while the import leg shall be reported in the Import Data Processing and Monitoring System (IDPMS) as settlement of import dues.

The export realisation details reported through the permitted set-off mechanism shall be made available for generation of e-BRC in accordance with the prevailing DGFT and EDPMS process.

Set-off of export receivables against import payables or other eligible transactions shall be permitted in accordance with applicable FEMA/RBI regulations, provided such set-off is completed within the prescribed period for realization of export proceeds or within such extended period as may be permitted by the Bank. Appropriate documentary evidence and audit trail shall be maintained to support the set-off transaction.

The Bank shall ordinarily dispose of a complete set-off request within three to five working days. The indicative timeline may vary where additional documentation, enhanced due diligence, or regulatory clarification is required.

A.7 Third-Party Receipts and Payments for Export and Import Transactions (Regulation 8)

The Bank may permit receipt from or payment to a third party in relation to an export or import transaction after satisfying itself regarding the bona fides of the underlying transaction and the third-party arrangement.

The customer shall provide information and documents establishing the identity of the buyer or seller and the third-party payer or payee, the relationship between the parties, the commercial rationale for the arrangement and the linkage to the underlying invoice, contract and export/import declaration.

Supporting documents may include a tripartite agreement, assignment or factoring agreement, group or associate-company confirmation, collection or agency agreement, invoice containing third-party payment instructions, or any other satisfactory evidence of the arrangement.

Where third-party particulars are required to be disclosed in the Shipping Bill, EDF, Bill of Entry or another applicable regulatory record, the customer shall ensure that such particulars are correctly captured or amended in accordance with the applicable Customs and regulatory process. Where the applicable record does not provide for such particulars, the Bank shall retain adequate information and documentary linkage in its records.

Export and import receipts or payments facilitated through overseas factor, Payment Aggregator-Cross Border, exchange house, group treasury centre, payment hub, agent or another intermediary shall additionally comply with the regulatory framework applicable to that arrangement.

Third-party arrangements shall be subject to applicable KYC/AML, CFT, sanctions and TBML controls. The Bank may seek additional information or documents, undertake enhanced due diligence, impose appropriate conditions or decline the transaction where the commercial rationale or transaction trail is not satisfactorily established, or material compliance concerns are identified.

The currency and manner of receipt or payment shall comply with Regulation 4 and the Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2023, as amended from time to time. Settlement in a currency different from the invoice currency may be considered where permitted under the applicable regulatory framework and supported by the underlying commercial arrangement

The Bank shall ordinarily process a complete request within two working days. Where additional verification, third-party confirmation, enhanced due diligence or regulatory clarification, the request may take up to five working days or such further period as may be reasonably necessary. The customer shall be informed where additional information or processing time is required.

Detailed documentation, screening, approval, reporting and record-retention requirements shall be governed by the Bank's internal SOP and delegation of authority.

A. 8 Advance Receipts for Exports and Advance Payments for Imports – (Regulation 10)

A. Advance Receipt for Exports

An exporter may receive an advance payment from an overseas buyer against the proposed export of goods or services. The Bank may process and monitor such advance receipts subject to compliance with the applicable requirements relating to shipment or performance, realisation, reporting and transaction due diligence.

The exporter shall route the advance receipt and the balance export proceeds, if any, through the same Authorised Dealer. The exporter may route the transaction through another Authorised Dealer after intimating the change to both Authorised Dealers and providing the information or confirmations required for monitoring, reporting and reconciliation of the transaction.

Remittances may be processed based on either Transaction-Specific Disposal Instructions (DI) or Standing Instructions (SI) provided by the customer. The underlying documents required for reporting the transaction in the EDPMS portal shall be obtained and verified in accordance with the Bank's approved SOP and shall be commensurate with the nature and purpose of the remittance. The same documentation principles and requirements shall apply, mutatis mutandis, to export transactions relating to both goods and services.

Prescribed Timelines:

The shipment of goods or performance of services against an advance receipt shall be completed within the period specified in the underlying export contract. The exporter shall declare the expected date of shipment or performance and promptly inform the Bank of any subsequent change in the contractual timeline, together with the reasons and supporting documents.

For monitoring purposes, the Bank shall use the expected shipment or performance date declared by the exporter until the contractual date is established. The contractual date, including any valid subsequent revision agreed between the parties, shall prevail for monitoring purposes.

Where the export obligation is not fulfilled within the agreed contractual period, the exporter shall approach the Bank with the reasons and relevant supporting documents and shall ordinarily arrange for refund of the advance. Where no export has taken place and refund of the advance is not possible, the exporter may request the Bank to close the corresponding outstanding export-advance entry in EDPMS. The Bank may consider such request after satisfying itself regarding the genuineness of the reasons, in accordance with applicable regulations.

The Bank may use a period of three years from the date of receipt of the advance, or such longer period as stipulated in the underlying export contract, as a prudential monitoring reference. This period shall not be treated as a regulatory deadline, deemed extension or automatic closure criterion. Cases remaining outstanding beyond the reference period may be subjected to enhanced review under the Bank's internal SOP and delegation of authority.

Rate of Interest:

The rate of interest, if any, payable on the advance payment/export receipt does not exceed the all-in-cost ceilings of Trade Credits in terms of the Foreign Exchange Management (Borrowing and Lending) Regulations 2018, as amended from time to time.

Regularization of Export Transactions for Advance remittance received in another AD Bank:

RBL Bank may regularize export transactions even where the advance export remittance has not been received through RBL Bank, provided the relevant export transaction details have been duly updated in the EDPMS by the concerned AD Bank, or an Electronic Foreign Inward Remittance Certificate (e-FIRC) has been issued evidencing receipt of the export proceeds. The exporter shall intimate the change to both Authorised Dealers and provide the information and confirmations required to establish the transaction linkage and enable appropriate EDPMS reporting, reconciliation and closure. Documentary evidence of intimation of such change to both the existing and the new Authorised Dealer shall be obtained and retained on record.

Requirement of underlying documentation submission

The exporter shall provide information and documents sufficient to establish the purpose and genuineness of the advance receipt and its linkage to the underlying export transaction. The nature and extent of documentation may vary based on the transaction value, customer profile, underlying contract, complexity and risk assessment.

Where the exporter requests issuance of a guarantee or Standby Letter of Credit to secure obligations under the underlying export contract, such issuance shall be considered separately in accordance with the Foreign Exchange Management (Guarantees) Regulations, 2026, the Bank's Credit Policy, approved product framework and internal SOP.

B: Advance Payments for Imports

The Bank may permit advance payment for import of eligible goods or services after satisfying itself regarding the genuineness of the underlying requirement and compliance with applicable regulatory requirements.

The importer shall route the advance payment and any subsequent payment relating to the same import transaction through the same Authorised Dealer. Where the importer proposes to route the transaction through another Authorised Dealer, the importer shall intimate the change to both Authorised Dealers and provide the information and confirmations required for monitoring, reconciliation and regulatory reporting.

The importer shall provide the information and documents ordinarily applicable to the proposed advance import transaction, including:

- a customer request or remittance application-cum-declaration;
- the underlying import contract, purchase order or proforma invoice;
- details of the overseas supplier and beneficiary bank account;
- the nature and purpose of the goods or services proposed to be imported;
- the expected date of import or completion of the services;
- the applicable licence, approval or authorisation for restricted imports, where required; and
- such other information or documents as may reasonably be required by the Bank.

Advance payments shall be made in accordance with the underlying import contract and ordinarily remitted directly to the account of the overseas supplier or service provider. Any payment to a third party shall be considered separately in accordance with Regulation 8 and the Bank's requirements governing third-party payments.

Based on the amount, nature and complexity of the transaction, customer risk profile, overseas supplier, country risk, goods or services proposed to be imported, transaction history and other relevant risk factors, the Bank may prescribe thresholds above which additional information, security or credit support may be required.

Such requirements may include, as applicable, a credit opinion report, bank guarantee, unconditional and irrevocable Standby Letter of Credit, Letter of Credit, credit insurance or another acceptable risk-mitigation arrangement. The applicable thresholds, aggregation methodology, approval authorities, exceptions and operational requirements shall be governed by the Bank's internal SOP and delegation of authority.

For applying the Bank's internal thresholds, related advance payments may be aggregated with reference to the underlying contract or purchase order, overseas supplier, transaction series or any other relevant linkage. Splitting an advance payment into multiple remittances shall not alter the applicable documentation, security or approval requirement.

The Bank may undertake enhanced due diligence or impose additional conditions where:

- the importer is newly established or has limited operating history;
- the transaction amount or advance component is material;
- the goods or services are complex, specialised, restricted or sensitive;

- the transaction involves a higher-risk country, jurisdiction or payment route;
- the contractual period for completion of the import is extended;
- the importer has unresolved instances of non-materialisation or outstanding IDPMS entries;
or
- there are sanctions, fraud, AML/CFT or Trade-Based Money Laundering concerns.

The importer shall ensure that the import of goods or services is completed within the period specified in the underlying contract or within such extended period as may be allowed by the Bank. The importer shall provide the applicable evidence of import or completion of services and other information required for IDPMS reporting, monitoring and closure.

Where the import does not materialise within the contractual period or the extended period allowed by the Bank, the importer shall arrange for repatriation of the advance payment in accordance with the applicable regulations. If the advance payment is not repatriated or the corresponding IDPMS entry is not closed in accordance with the applicable regulatory framework, any future advance payment for imports shall be subject to the requirements prescribed under Regulation 12.

No advance remittance shall be permitted for the import of gold or silver, except where expressly permitted under FEMA or the applicable rules, regulations or directions.

The Bank shall record, monitor and close advance import payments through IDPMS or any other regulatory system prescribed by RBI. Detailed documentation, thresholds, credit-support requirements, processing controls, approval levels, reporting and exception-handling requirements shall be governed by the Bank's internal SOP and delegation of authority.

8.1 Import Not Materialized (Regulation 12)

Where an importer is unable to complete the import of goods or services within the period specified in the underlying contract or within such extended period as may be allowed by the Bank, the importer shall arrange for repatriation of the advance payment made to the overseas supplier or service provider.

The importer shall provide information and documents satisfactory to the Bank evidencing either:

1. completion of the import transaction and the basis for closure or mark-off of the corresponding IDPMS entry; or
2. repatriation of the advance payment by the overseas supplier or service provider.

Where:

- the advance payment is not repatriated within the period specified in the underlying contract or within the extended period allowed by the Bank; or
- the corresponding IDPMS entry has not been marked off in accordance with Regulation 18.

any future advance payment for imports by the same importer shall be permitted only against:

1. an unconditional and irrevocable Standby Letter of Credit or guarantee issued by an international bank of repute; or

2. a guarantee issued by an Authorised Dealer in India against a counter-guarantee issued by an international bank of repute.

The restriction shall apply only to future advance payments for imports by the concerned importer. The restriction shall not, by itself, prohibit the importer from undertaking import transactions through other permitted non-advance payment mechanisms, including documentary collection arrangements such as Documents against Payment or Documents against Acceptance, or a Letter of Credit under which payment is made after shipment, subject to applicable regulatory requirements and the Bank's policies. The restriction shall cease once the relevant advance is regularised through evidence of import and mark-off, repatriation of the advance, or closure of the import-advance entry under Regulation 18(1)(j) after the Bank is satisfied regarding the genuineness of the reasons.

Where no import has taken place and repatriation of the advance payment is not possible, the importer may request the Bank to close the corresponding import-advance entry by providing the reasons and relevant supporting information. The Bank may consider the request after satisfying itself regarding the genuineness of the reasons and completing the applicable due-diligence and IDPMS requirements.

The Bank shall monitor such cases through IDPMS or any other system prescribed by the Reserve Bank of India. Detailed monitoring, documentation, application and removal of restrictions, credit-support requirements and approval procedures shall be governed by the Bank's internal SOP.

A.9 Unrealised exports (Regulation 13)

Where export proceeds from a specific overseas buyer remain unrealised for more than one year from the applicable due date or beyond the extended period allowed by an Authorised Dealer, further exports by the exporter to that overseas buyer shall be undertaken only against full advance payment or under an irrevocable Letter of Credit.

This restriction shall not apply to exports made by the exporter to other overseas buyers. The restriction shall continue until the relevant proceeds are realised and repatriated or the outstanding amount is otherwise permitted to be reduced or treated as non-realisation and the corresponding EDPMS entry is closed.

Evidence of Resolution of Unrealised Export Bills

The exporter shall provide satisfactory evidence demonstrating that the unrealised export bill has been duly resolved. Such evidence may include:

- Foreign Inward Remittance Certificate (FIRC), Bank Realisation Certificate (BRC) or other documentary evidence confirming full receipt and repatriation of the outstanding export proceeds; or
- Approval granted by the Bank for reduction or closure of the export receivable under applicable regulations, supported by the prescribed documents, justification and evidence.

The Bank shall ensure that the corresponding EDPMS entry is appropriately updated or closed before removing the restriction. Upon removal of the restriction, the exporter may resume exports to the

concerned overseas buyer under the payment terms otherwise permitted under the applicable regulatory framework and the Bank's policies.

While handling subsequent export transactions, the Bank shall review unrealised export proceeds relating to the exporter and the concerned overseas buyer. Where the conditions under Regulation 13 are triggered, the Bank shall ensure that further exports to that overseas buyer are supported by full advance payment or an irrevocable Letter of Credit.

Significant, persistent or repeated unrealised export receivables may be subjected to enhanced due diligence and monitoring under the Bank's internal SOP, without prejudice to the mandatory requirements of Regulation 13.

Provided that the exporters in the Caution List, as on September 30, 2026, as per orders issued by the Reserve Bank under Regulation 16 of the Foreign Exchange Management (Export of Goods & Services) Regulations, 2015, shall continue to be governed by the said order till such time the exporter is removed from the Caution List.

A.10 Export of goods and services against repayment of State credits (Regulation 14)

The Bank shall handle exports of goods and services against repayment of State credits granted by the erstwhile Soviet Union in accordance with the applicable inter-banking arrangement and the instructions and directions issued by the Reserve Bank of India from time to time.

The applicable documentation, settlement currency, payment mechanism, approval, monitoring and regulatory-reporting requirements shall be determined with reference to the relevant State Credit arrangement and the Bank's internal SOP.

Where applicable, the specific instructions governing the relevant State Credit arrangement shall prevail over the general provisions applicable to commercial export transactions.

A.11 Project Export (Regulation 15)

As per the prevailing Foreign Trade Policy, export of engineering goods on deferred payment terms and execution of turnkey projects and civil construction contracts abroad are collectively referred to as 'Project Exports.' Project export contracts are generally of high value and exporters undertaking them are required to offer competitive credit terms to be able to secure orders from foreign buyers in the face of stiff international competition.

Project Exports would encompass:

1. Civil construction contracts;
2. Turnkey Engineering contracts including supply of Capital Goods on deferred payment terms;
3. Process and Engineering Consultancy Services; and
4. Project Construction items (excluding Steel and Cement).

Role of RBL Bank Limited in the Project Export Transactions:

The following roles can be performed by RBL Bank in Project Exports transaction.

1. Acting as approving authority for providing approval for establishment of Project outside India basis the supporting documents submitted by the customer.
2. Granting permission for opening foreign currency account in India or abroad for execution of project depending on the nature of the project, basis the regulatory prescriptions. The exporter shall intimate the Bank regarding any foreign currency account opened or operated for the project. Opening and operation of such account shall comply with the applicable FEMA regulations, overseas investment or foreign-currency-account framework, and any other RBI directions governing the particular account.
3. Monitoring status of project and following up with customer for submission of Form.
4. Reporting to EXIM Bank in prescribed format for approvals granted for project exports including approval for site/liaison office. Ensure submission of documents for closure of project in line with Project Export management guidelines as amended from time to time.
5. The Bank may handle receipts and payments under the project contract after satisfying itself regarding the genuineness of the project and compliance with applicable FEMA provisions, Foreign Trade Policy, KYC, AML/CFT, sanctions and other regulatory requirements. The timing and manner of project-related receipts and payments shall be governed by the underlying project contract and the applicable regulatory framework.
6. Facilitation of Financial Arrangements which includes Pre-shipment, Post-shipment, Bank Guarantees and Letter of Credits
7. Subject to monitoring by the Bank, a project exporter may deploy temporary cash surplus generated outside India from the project export in short-term instruments outside India having an original or residual maturity of one year or less, including treasury bills and deposits with banks. The exporter shall provide information and documents required by the Bank to establish the source and project linkage of the surplus, the nature and maturity of the investment and its subsequent redemption or utilisation. Detailed monitoring and reporting requirements shall be governed by the Bank's internal SOP.

Life Cycle of Project Exports

Pre-Award

- ❖ Tender circulation
- ❖ Bidding
- ❖ Allotment of the Contract
- ❖ Execution of the contract (Civil construction projects/ Turnkey projects/Consultancy services)

Post-Award

- ❖ Customer to approach AD Bank for approval.

Execution Phases

- ❖ Issuance of Bank Guarantee Performance/Financial
- ❖ LC/Export Finance (Pre/Post shipment Finance)
- ❖ Remittances (Supply/Import/Salary/Project related)
- ❖ Modification/Amendment of the contract T&C

Miscellaneous

- ❖ Inter project transfer
- ❖ Opening of FCY Account in India and abroad.
- ❖ Third country Imports

Monitoring

- ❖ Yearly statement
- ❖ Reporting of Closure

Sr.No.	Scenarios	Indicative Documents Required
1	<p>Issuance of Project Export Approval</p> <p>Exporter is awarded a contract under Project Export Management framework. Post award PEM approval shall be obtained prior to undertaking any project related activity.</p> <p>Minimum Project Information</p>	<p>Customer Request letter</p> <p>Duly signed copy of the Contract/Letter of award with project details.</p> <p>Timelines</p> <p>1. Within 30 days from entering into the contract customer should approach Bank for approval.</p> <p>2. No remittances, guarantees, Letter of credits project related expenses incurred.</p> <p>Detailed project contract/agreement, scope of work, project value, country of execution, employer/project owner details, payment milestones, financing arrangements, performance obligations, guarantee requirements, expected cash flows, and project completion timeline.</p>
2.	<p>Amendment to Approval</p> <p>This includes following</p> <ul style="list-style-type: none"> ❖ Scope of Project ❖ Value ❖ Financing structure ❖ Period of Execution ❖ Any other material changes in the Project 	<p>Customer Request letter</p> <p>Duly signed copy of the amended Contract/Letter of award with project details.</p>
3.	<p>Opening of Foreign Currency Account (FCY) abroad & in India.</p>	<p>The exporter to inform the AD Bank about opening of FCY Account</p> <ul style="list-style-type: none"> ❖ In India ❖ Abroad

		<p>The details of foreign currency accounts opened in India/abroad basis permission granted under Post Award approval. The same will be intimated by the exporter through the letter signed by the authorized signatory/ies of the company as per Bank' records.</p> <p>Also, basis details reported in DPX-2, a project exporter may, subject to the Bank's monitoring, invest temporary cash surplus generated outside India from the project export in permitted short-term instruments outside India having an original or residual maturity of one year or less, including treasury bills and bank deposits. The exporter shall provide the information and documents required by the Bank to establish the source, project linkage, nature, maturity and subsequent utilisation or redemption of the investment.</p>
4.	Handling of Third Country Imports for execution of Overseas Project	<p>1.Underlying contract covering third party sourcing or Approval letter allowing third party import (LC/Remittances/ Guarantees) along with specific percentage which allows third country imports/exports.</p> <p><u>Note:</u></p> <p>1.This is permitted only if specifically covered under approval.</p> <p>2.All remittances/Non fund based financial commitment are linked to projects related work.</p> <p>3. Any remittances on account of project exports to be excluded for reporting of default in E/IDPMS reporting subject to customer provided evidence of export/import from/to project site</p> <p>Note: Export proceeds may be realized from a third party, subject to Regulation 8 and the Bank satisfying itself regarding the bona fides of the transaction. Such arrangements may be permitted where there is a genuine underlying commercial rationale, including project exports where the payment is made by a parent company, group company, associate entity, financing institution, or any other third party on behalf of the overseas buyer.</p> <p>The exporter shall provide satisfactory documentary evidence establishing the linkage between the underlying export transaction, the overseas buyer, and the third-party remitter. The Bank shall satisfy itself regarding the legitimacy of the arrangement, the source of funds, compliance with applicable regulatory requirements, and the absence of any AML/CFT, sanctions, or other regulatory concerns before crediting the export proceeds.</p>

5.	Monitoring Progress and Ongoing Compliances	Yearly submission. For FY ended 2026-27, details needs to be submitted on or before 30 th June 2027
6.	Realization Period	In the case of project exports, export proceeds shall be realised and repatriated in accordance with the payment terms of the underlying contract. Exporters shall ensure compliance with the applicable due dates and promptly notify the Bank of any anticipated delays and seek extension, wherever required, in accordance with the approval granted.
7.	Realisation and Repatriation of Export Proceeds and Losses in Project Exports	<p>In the event of a loss being incurred on a project export, the exporter should promptly inform the Bank and submit the details of the loss along with the reasons and supporting documentation. The exporter may also be required to provide a revised cash flow/profitability statement, status of receivables, and any other information sought by the Bank for assessment of the project.</p> <p>Any material loss, cost overrun, claim, dispute, waiver, settlement, or reduction having an impact on the project's financial position should be reported to the Bank. The exporter shall also ensure that the prescribed project export reports, including DPX-2 submissions, are done on time and reflect the actual status of the project, including any losses incurred.</p> <p>Further, the Bank may seek additional information and documents and review the matter in accordance with its internal policy and applicable regulatory guidelines.</p>
8.	Requirements if the project export contract is to be dissolved midway	<p>In the event of termination, cancellation, or premature dissolution of a project export contract, the exporter shall promptly notify the Bank and submit the relevant supporting documentation, including details of the termination arrangement, work executed, financial settlement, and any other documents required by the Bank.</p> <p>The Bank shall examine the circumstances of the case and may permit repatriation of amounts due, adjustment of project-related receivables, and/or reduction of outstanding export dues, as applicable, in accordance with Regulations 6 and 15 and other applicable FEMA requirements.</p> <p>The Bank shall ensure appropriate settlement of project-related funds, compliance with reporting requirements, and closure of the project in accordance with the applicable regulatory framework. Any approval required under the applicable regulations or the terms of the original project approval shall be obtained wherever necessary.</p>

9.	Enhanced Review Trigger (Value / Complexity / Country)	Mandatory enhanced review for projects exceeding a specified threshold (e.g., USD 10 million equivalent), projects involving multiple jurisdictions, sovereign/public sector counterparties, politically sensitive or high-risk countries, complex payment structures, deferred payment arrangements, or significant guarantee exposure.
10.	Treatment of Overseas Temporary Cash Surplus	<p>Subject to monitoring by the Bank, a project exporter may deploy temporary cash surplus generated outside India from the project export in short-term instruments outside India having an original or residual maturity of one year or less, including treasury bills and deposits with banks.</p> <p>The project exporter shall intimate the Bank regarding the deployment of temporary project cash surplus, provide such information and supporting documents as may be required by the Bank to establish the source and linkage of the surplus with the project export, the nature and maturity of the investment, and its subsequent redemption, utilisation or repatriation.</p> <p>The Bank shall periodically monitor the overseas balances and investments to ensure that the funds remain traceable to the relevant project export, the prescribed maturity condition is complied with, and the deployment does not adversely affect the execution of the project or settlement of project-related liabilities.</p> <p>The detailed documentation, monitoring frequency, approval requirements, reporting and treatment of maturity proceeds shall be governed by the Bank's internal SOP.</p>
11.	Loss / Termination Approval Authority	Any material project loss, contract termination, abandonment, invocation of guarantees, reduction, or settlement shall require approval from the competent sanctioning authority as per the Bank's delegation matrix

Note:

- ❖ Export proceeds may be received in Indian Rupees (INR) in accordance with the International Trade Settlement in INR framework under Regulation 17 or through any other mechanism permitted under the applicable regulatory framework and RBI directions from time to time. The mode of realization shall be consistent with the terms of the underlying contract and the prevailing regulatory requirements.
- ❖ Material amendments to the project contract, payment terms, project scope, overseas account arrangements or settlement structure shall be promptly informed to the Bank together with relevant supporting information.

- ❖ The exporter shall provide the information and documents required for monitoring completion and closure of the project. Detailed documentation, monitoring, reporting, approval and project-closure procedures shall be governed by the Bank's internal SOP.
- ❖ Any loss incurred in respect of a project export shall be promptly reported by the exporter to the Bank, together with adequate supporting evidence, details of the circumstances leading to the loss, and duly certified accounts or other documents as may be required by the Bank.
- ❖ The Bank shall examine the claim and supporting documentation and satisfy itself regarding the genuineness, quantum, and justification of the loss before considering any consequential action under the applicable regulatory framework.
- ❖ Any adjustment, reduction, or closure of outstanding export proceeds arising from such loss shall be dealt with in accordance with the applicable FEMA regulations and the Bank's internal policies and procedures.

A.12 Merchanting Trade Transaction (MTT) (Regulation 16)

Background

A Merchanting Trade Transaction is a transaction in which goods are purchased from an overseas seller and sold to an overseas buyer without the goods entering India. The transaction shall comply with the prevailing Foreign Trade Policy and applicable regulatory requirements.

The Bank may handle an MTT after satisfying itself regarding the genuineness of the transaction and obtaining documents evidencing both legs, including the purchase and sale contracts, invoices and transport documents demonstrating movement of goods from the overseas seller's country to the overseas buyer's country without entering India.

Eligibility of Merchanting Traders

Merchanting traders shall:

- Be genuine traders of goods
- Not act as financial intermediaries

Profitability/Loss:

- An MTT shall result in profit calculated as: Export proceeds minus (Import cost plus related expenses)
- Where an MTT results in a loss or short realisation, the customer shall provide the commercial rationale and relevant supporting documents. The Bank may consider the transaction on a case-to-case basis, subject to satisfactory due diligence and approval under its internal SOP and delegation of authority.

RBL Bank may handle the Merchanting Trade Transactions (MTT) subject to the following guidelines:

- ✓ Where any leg of a Merchanting Trade Transaction is routed through RBL Bank, the corresponding contra leg shall also be routed through RBL Bank to enable end-to-end monitoring, reconciliation and regulatory reporting of the transaction. Receipt of funds through a Vostro Account or Special Rupee Vostro Account maintained with another AD Bank

may be considered on a case-to-case basis, subject to satisfactory documentary evidence, inter-bank confirmation and completion of applicable due diligence and reporting requirements.

- ✓ The customer shall provide the relevant transaction documents through a channel acceptable to the Bank. Originals, authenticated copies, electronically generated documents or other verifiable records may be accepted in accordance with the Bank's internal SOP and applicable regulatory requirements.
- ✓ The Bank shall ensure appropriate linkage and matching of the purchase and sale legs of each MTT.
- ✓ The period between the outward remittance and inward remittance or vice versa does not exceed six months.
- ✓ Determination of timeline:
Commencement Date: Earlier of: Export leg receipt, or Import leg payment
Completion Date: Later of: Export leg receipt or Import leg payment.
The six-month period shall be calculated between the date of the outward remittance and the date of the inward remittance, irrespective of which occurs first.
- ✓ Export proceeds received prior to import payment may be parked in Exchange Earners Foreign Currency (EEFC) Account or INR Account. Such funds shall be earmarked / lien-marked exclusively for import payment. No fund-based or non-fund-based facilities shall be extended against such balances. In case of export LC discounting; proceeds shall be utilized as per prescribed utilization norms.
- ✓ Any credit facility, Letter of Credit, bill discounting or other financing requested in connection with an MTT shall be considered separately under the Bank's Credit Policy, approved product framework and applicable regulatory requirements.
- ✓ Advance payments relating to either leg of an MTT shall additionally comply with Regulation 10 of the aforementioned regulations and the Bank's applicable requirements for advance export receipts or advance import payments.
- ✓ The Bank shall credit or debit the customer's account only after satisfying itself regarding the genuineness of the MTT and shall simultaneously update or close the corresponding EDPMS and IDPMS entries, as applicable. The Bank shall monitor and follow up with the customer to ensure completion of both legs within the applicable or extended period.

Note: MTTs involving settlement in Indian Rupees may be considered in accordance with Regulations 16 and 17 of the regulations and the prevailing RBI framework governing INR trade settlement. Where one leg is proposed to be settled in INR and the other in foreign currency, the Bank may consider the structure on a case-to-case basis after satisfying itself regarding its genuineness, commercial rationale, settlement mechanism and regulatory permissibility.

12.1 Third Party Payments

- ✓ The Bank may subject to due diligence permit receipt from or payment to a third party for either leg of an MTT on the customer's written request citing reasons. The customer shall provide information establishing the identity of the third party, relationship with the overseas buyer or seller, commercial rationale and linkage with the underlying MTT.
- ✓ Bank may call for documentation to ascertain the bonafide of the transaction prior to permitting such transactions.

12.2 Loss, Short Realisation or Non-Realisation in an MTT

In cases where a shortfall arises in a Merchanting Trade Transaction (MTT), the customer shall submit a written request to the Bank detailing the circumstances resulting in the shortfall, together with supporting documentary evidence. Such evidence may include, inter alia, documents relating to price renegotiation, buyer default, quality or quantity disputes, settlement agreements, correspondence with counterparties, or any other documents substantiating the loss.

The Bank shall perform due diligence and satisfy itself about the bonafide of the rationale given by the customer before considering any request for reduction, adjustment, or closure of the outstanding amount.

All decisions relating to recognition of MTT-related losses shall be appropriately documented and supported by evidence demonstrating that the loss arose from genuine commercial circumstances and not from any contravention of applicable laws or regulations.

12.3 Payment of Agency Commission

The Bank may allow payment of agency commission up to a reasonable extent by way of outward remittance under exceptional circumstances, subject to the following conditions:

- a. MTT has been completed in all respects.
- b. The payment of agency commission shall not result in the MTT ending into a loss.
- c. The Merchanting trader shall make a specific request to the bank in this regard.

12.4 Extension of Time for Completion of Merchanting Trade Transactions

The period between the outward remittance and inward remittance, in either sequence, under a Merchanting Trade Transaction shall not exceed six months.

Where the customer is unable to complete both legs of the MTT within the six-month period, the customer shall submit a written request to the Bank citing the reasons for the delay and specifying the revised expected date of completion. The request shall be supported by relevant information and documents evidencing the cause of delay, such as shipping or logistics delays, delayed payment by the overseas buyer, documentary discrepancies, force majeure events or other genuine commercial reasons.

The Bank may allow an extension after satisfying itself about the genuineness of the transaction.

Where an inward remittance is received after expiry of the six-month period, the Bank may credit the funds to the customer's account after satisfying itself regarding the genuineness of the receipt and obtaining the customer's request and supporting information required for considering an extension and completing the applicable regulatory reporting and system updates.

The Bank may subject scenarios related to repeated delays, material exceptions or transactions presenting elevated regulatory or financial-crime risk to enhanced due diligence and higher approval in accordance with its internal SOP and delegation of authority.

All extensions and delayed completions shall be appropriately recorded, monitored and reported through EDPMS, IDPMS, FETERS or any other regulatory reporting mechanism prescribed by the Reserve Bank of India, as applicable.

A.13 International Trade Invoicing and Settlement in Indian Rupees (INR) (Regulation 17)

The Bank may facilitate the invoicing, payment and settlement of eligible international trade transactions in Indian Rupees in accordance with Regulation 17 and the prevailing guidelines, directions and instructions issued by the Reserve Bank of India from time to time.

International trade transactions in INR may be settled through a Special Rupee Vostro Account maintained by an overseas correspondent bank with an Authorised Dealer Category-I bank in India, or through any other arrangement permitted under the applicable regulatory framework.

The existence and eligibility of the relevant Special Rupee Vostro Account arrangement shall be verified by the Bank through the applicable banking or correspondent channels. The underlying bank-to-bank SRVA arrangement need not be submitted by the individual exporter or importer.

Under the Special Rupee Vostro Account mechanism:

1. an Indian exporter may invoice the overseas buyer in INR for eligible export and receive export proceeds in INR from the balance available in the relevant Special Rupee Vostro Account; and
2. an Indian importer may make payment in INR for an eligible import through debit to its account and corresponding credit to the relevant Special Rupee Vostro Account of the overseas correspondent bank, in accordance with the prevailing RBI framework.

The exchange rate between INR and the currency of the overseas trading partner shall be market-determined in accordance with the prevailing regulatory framework.

The exporter or importer shall submit the documents ordinarily applicable to the underlying trade transaction, including the export or import contract, commercial invoice denominated in INR, relevant Shipping Bill, EDF or Bill of Entry, transport documents, where applicable, remittance particulars and such other information or documents as may reasonably be required by the Bank to establish the nature, genuineness and eligibility of the transaction.

The customer shall provide sufficient information to identify the relevant Special Rupee Vostro Account and the overseas correspondent bank through which the transaction is proposed to be settled.

The usual declaration, documentation, due-diligence and reporting requirements applicable to exports and imports shall continue to apply to transactions invoiced or settled in INR.

For exports invoiced or settled in INR, the full export value shall be realised and repatriated within 12 months from:

1. the date of shipment, for goods other than goods exported to a warehouse outside India;
2. the date of invoice, for services; or
3. the date of sale of goods, for goods exported to a warehouse outside India,

unless an extension is allowed by an Authorised Dealer in accordance with the applicable regulations.

The Bank shall credit or debit the customer's account only after satisfying itself regarding the genuineness of the underlying transaction and shall simultaneously update or close the corresponding EDPMS or IDPMS entry, as applicable.

Where INR export proceeds are received through an eligible Special Rupee Vostro Account maintained with another Authorised Dealer Category-I bank, the exporter shall provide sufficient remittance particulars and transaction information to enable the Bank handling the export documents to establish linkage with the underlying export transaction and complete the applicable EDPMS reconciliation.

Surplus balances in a Special Rupee Vostro Account may be utilised or invested only for purposes permitted under the prevailing FEMA framework and the applicable instructions issued by the Reserve Bank of India.

Eligible export benefits and recognition towards fulfilment of export obligations shall be governed by the prevailing Foreign Trade Policy, Handbook of Procedures and instructions issued by the Directorate General of Foreign Trade or other competent authorities.

The detailed documentation, processing, monitoring, reconciliation and regulatory-reporting requirements shall be governed by the Bank's internal SOP and the applicable regulatory instructions.

A.14 EDPMS Reporting, Monitoring and Closure (Regulation 18)

The Bank shall report, monitor, update and close export transactions and the relevant legs of Merchanting Trade Transactions through EDPMS and IDPMS, as applicable, in accordance with Regulation 18 and the reporting process prescribed by the Reserve Bank of India.

The provisions outlined herein shall apply to the export of goods, export of services, and Merchanting Trade Transactions (MTT).

The Bank shall:

1. enter details of authenticated EDFs received in respect of exports through non-EDI ports in EDPMS within five working days of receipt;
2. where the Bank acts as the Specified Authority or is responsible for reporting under the applicable EDPMS process, enter details of service or software EDFs within five working days of receipt of the complete EDF and required information;
3. record and report inward remittances relating to exports and Merchanting Trade Transactions through EDPMS, FETERS or another prescribed regulatory system, as applicable;

4. monitor outstanding entries and follow up with customers for the information and documents required for realisation, reconciliation or closure; and
5. maintain appropriate records and an audit trail of all reporting, updating and closure actions.

Also, where an extension is allowed, the revised due date shall be updated in EDPMS, and the entry shall continue to be monitored until it is realised or otherwise closed under a permissible regulatory provision.

Closure of Export Entries:

The Bank may close an EDPMS entry after satisfying itself regarding the genuineness of the underlying transaction and verifying that the entry is eligible for closure through:

- full realisation and repatriation of export proceeds;
- partial realisation with an approved reduction under Regulation 6;
- approved non-realisation under Regulation 6;
- set off permitted under Regulation 7;
- adjustment of an eligible export advance against the relevant export transaction, after establishing transaction linkage;
- closure of an export-advance entry under Regulation 18; or
- another mode expressly permitted under FEMA or RBI directions.

Where no export has taken place and refund of the export advance is not possible, the exporter may request closure of the corresponding advance entry by providing the reasons and relevant supporting information. The Bank may close the entry after satisfying itself regarding the genuineness of the reasons and completing the applicable due-diligence, approval and EDPMS requirements.

The supporting documents may include the underlying contract, cancellation or termination records, correspondence with the overseas buyer, legal or insolvency records, insurance documents, settlement documents or any other evidence reasonably required by the Bank.

All documents, approvals, declarations and supporting records relating to EDPMS closure shall be retained in accordance with the Bank's record retention policy and regulatory requirements. The Bank shall ensure timely and accurate regulatory reporting in EDPMS and other prescribed returns.

Indicative Supporting Documents

The documents required shall depend on the nature of the case and may include the underlying contract, cancellation or termination records, correspondence with the overseas buyer, legal or insolvency records, insurance documents, settlement documents and any other evidence required by the Bank.

The Bank shall ensure that EDPMS/IDPMS records are updated simultaneously with the corresponding credit or debit of funds through appropriate system-driven processes.

A.15 Closure of Entries up to ₹10 Lakh – Declaration Framework

For export and import transactions having an original value of up to ₹10 lakh or its equivalent in foreign currency, the Bank may close the relevant entry in EDPMS or IDPMS, as applicable, based on a declaration submitted by the customer and after satisfying itself regarding the genuineness of the transaction and its eligibility under the applicable regulatory framework.

For determining eligibility under this provision, the ₹10 lakh threshold shall be reckoned with reference to the original value of the relevant Shipping Bill for export of goods, Bill of Entry for import of goods, or invoice for export or import of services, as applicable. The threshold shall not be determined with reference to the residual or outstanding amount remaining against the relevant Shipping Bill, Bill of Entry or invoice. Accordingly, a transaction having an original value exceeding ₹10 lakh shall not become eligible under this framework merely because the residual or outstanding amount subsequently falls to ₹10 lakh or below.

Accordingly, the threshold shall apply:

1. per Shipping Bill for export of goods;
2. per Bill of Entry for import of goods; and
3. per invoice for export or import of services.

The customer declaration shall:

1. Identify the relevant Shipping Bill, Bill of Entry or invoice and the corresponding EDPMS or IDPMS entry, as applicable;
2. Confirm that the export proceeds have been realised, or the import payment has been made, either in full or otherwise, as applicable;
3. Provide the reasons for any short receipt, short payment or other difference, where applicable;
4. Confirm the genuineness, completeness and finality of the transaction;
5. Confirm that no further receipt or payment remains expected against the relevant entry, where applicable.

An exporter may submit the declaration either on a transaction-wise basis or quarterly for bulk closure of eligible entries in EDPMS. An importer may similarly submit the declaration either on a transaction-wise basis or quarterly for bulk closure of eligible entries in IDPMS.

The Bank may seek additional information, clarification or supporting documents where considered necessary based on the nature, complexity or risk profile of the transaction, or where the declaration is incomplete or inconsistent with the Bank's records.

Closure under this provision shall be subject to the Bank satisfying itself regarding the genuineness of the transaction and completing the applicable EDPMS or IDPMS reporting requirements. The detailed declaration format, controls and system procedures shall be governed by the Bank's internal SOP.

A.16. Factoring Transactions

Export Factoring

Export factoring is an arrangement under which an exporter assigns or sells export receivables arising from the export of goods or services to a domestic or overseas factor. Depending on the terms of the arrangement, the factor may provide financing, collection, receivables administration or credit-risk protection.

Export factoring may be undertaken on a with-recourse, limited-recourse or without-recourse basis. The allocation of credit risk, commercial-dispute risk, dilution risk, fraud risk and other obligations shall be determined in accordance with the factoring agreement.

Factoring may be undertaken through a single-factor, two-factor, bilateral or other permissible arrangement, including an arrangement under an internationally recognised factoring network. Subject to the applicable regulatory framework. All factoring transactions shall be subject to applicable regulations and the Bank's internal policies and procedures.

The exporter shall provide the factoring agreement or relevant extracts sufficient to establish:

- the parties to the arrangement;
- the export receivables covered;
- the assignment or sale of the receivables;
- the authority of the factor to receive the export proceeds;
- the applicable recourse terms;
- the factoring fees, discounts, commissions and other deductions; and
- the collection and settlement mechanism.

The Bank may require the complete factoring agreement and additional information where considered necessary based on the nature, complexity or risk profile of the arrangement.

Where export proceeds are received from a factor or another person instead of the overseas buyer, the arrangement shall also comply with Regulation 8 and the Bank's requirements relating to third-party receipts.

The Bank may act as the Authorised Dealer for receipt, reporting, reconciliation and closure of export proceeds under the factoring arrangement after satisfying itself regarding the genuineness of the underlying export transaction and the factoring arrangement.

The corresponding EDPMS entry may be updated or closed after the Bank verifies:

- the underlying export transaction;
- the assignment of the relevant receivable;
- the factor's authority to receive or remit the export proceeds;
- receipt and repatriation of the export proceeds;
- linkage with the relevant Shipping Bill, EDF or invoice; and
- the nature and amount of any factoring fee, discount, commission, withholding, recourse adjustment or other deduction.

Any difference between the declared export value and the amount realised and repatriated shall be considered under Regulation 6 or another applicable regulatory provision.

The detailed documentation, approval, credit assessment, recourse treatment, reporting, reconciliation, monitoring and EDPMS closure requirements shall be governed by the Bank's internal SOP.

Import Factoring

Import factoring is an arrangement under which an importer's payment obligation to an overseas supplier is administered, financed or collected through a domestic or overseas factor under a documented factoring arrangement. The arrangement may be undertaken on a with-recourse, limited-recourse or without-recourse basis, subject to applicable regulatory requirements.

RBL Bank may permit Import Factoring transactions, subject to compliance with applicable RBI/FEMA regulations, internal risk acceptance criteria and the credit assessment. Such transactions may be undertaken on a recourse or non-recourse basis, as permitted under the applicable regulatory framework.

The importer shall provide information and documents sufficient to establish:

- the underlying import transaction;
- the identity and role of the overseas supplier, Export Factor and Import Factor, as applicable;
- the assignment, purchase, collection authority or other contractual basis under which the factor is entitled to receive payment;
- the amount and contractual due date of the payment obligation;
- the payment-routing and settlement arrangement;
- the applicable recourse terms; and
- the relevant evidence of import of goods or completion of services.

The importer shall provide the factoring agreement or relevant extracts sufficient to establish the parties, covered invoices, authority of the factor, payment terms, recourse arrangements, fees, deductions and settlement mechanism. The Bank may seek the complete factoring agreement or additional information based on the nature, complexity or risk profile of the arrangement.

The Bank shall process payment to the factor only after satisfying itself regarding the genuineness of the underlying import transaction, the factor's contractual entitlement to receive payment, the linkage with the relevant invoice or Bill of Entry and the regulatory permissibility of the payment route.

Where payment is made to a factor instead of the overseas supplier, the arrangement shall also comply with Regulation 8 and the Bank's requirements relating to third-party payments.

Where the import factoring arrangement results in deferred payment, financing or any other external liability of the importer, the transaction shall comply with the applicable Trade Credit or borrowing framework, including the requirements relating to eligible borrower and lender, permitted tenor, all-in-cost, security and regulatory reporting. A transaction that does not satisfy the applicable Trade Credit or borrowing requirements shall not be processed under this Policy.

The corresponding IDPMS entry may be updated or closed after the Bank verifies:

- the underlying import of goods or services;
- the amount payable under the import transaction;
- the factor's contractual entitlement to receive payment;
- payment to the eligible factor or other permitted recipient;
- linkage with the relevant Bill of Entry or service invoice; and
- the applicable evidence of import of goods or completion of services.

Any factoring fee, discount, commission, withholding, interest or other deduction shall be separately identified and treated in accordance with the underlying factoring arrangement and applicable regulatory and tax requirements.

All import factoring transactions shall be subject to applicable KYC/AML, CFT, sanctions, fraud-prevention and Trade-Based Money Laundering controls.

The detailed documentation, credit assessment, approval, recourse treatment, regulatory reporting, reconciliation, monitoring and IDPMS closure requirements shall be governed by the Bank's internal SOP.

Appendix -II – Operational Guidelines (Imports)

B: Introduction

Import transactions shall be handled in accordance with the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Current Account Transactions) Rules, 2000, the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026, the Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2023, the prevailing Foreign Trade Policy and other applicable rules, regulations, directions and instructions, as amended from time to time.

The Bank may process payments for import of eligible goods or services after satisfying itself regarding the genuineness of the underlying import transaction and obtaining the information and documents required under the applicable regulatory framework and the Bank's internal SOP.

Where an import transaction is handled under a documentary credit (LC), the transaction shall also be subject to the applicable Uniform Customs and Practice for Documentary Credits, the terms of the Letter of Credit and the Bank's approved product and operational framework.

Where the proposed import is subject to a licence, authorisation, restriction or condition under the prevailing Foreign Trade Policy or another applicable law, the importer shall provide a valid licence, authorisation or other evidence of compliance with the applicable conditions before the Bank processes the transaction.

The importer shall comply with applicable tax requirements, including withholding-tax and certification requirements, where relevant to the import payment.

Foreign exchange acquired for an import transaction shall be used only for the purpose declared by the importer or for another purpose permitted under FEMA and the applicable rules, regulations and directions.

The importer shall provide the applicable evidence of import of goods or completion of services. The Bank shall undertake the prescribed IDPMS reporting, monitoring, reconciliation and closure after satisfying itself regarding the underlying transaction and the applicable evidence of import or completion of services.

All import transactions shall be subject to applicable KYC, AML/CFT, sanctions, fraud-prevention and Trade-Based Money Laundering controls. The Bank may seek additional information, declarations or supporting documents based on the nature, value, complexity and risk profile of the transaction.

The documents and information required for an import transaction shall depend on the nature of the goods or services, payment terms, transaction structure and applicable regulatory requirements. The detailed document requirements and processing procedures shall be governed by the Bank's internal SOP.

Basic Import Documents:

- Import Licence (if applicable under Foreign Trade Policy)
- Commercial Invoice
- Proforma Invoice / Purchase Order / Contract
- Bill of Lading (BL) / Airway Bill (AWB) / Transport Document
- Bill of Entry (BoE) (evidence of import)

Note: For an outward import payment, the importer shall provide the applicable Bill of Entry for goods or invoice for services, underlying transport document where applicable, application-cum-declaration for outward remittance and such other documents as may be prescribed under the Bank's internal SOP. Where an advance import payment exceeds the Bank's approved internal threshold, the Bank may require a standby Letter of Credit, guarantee or other approved risk-mitigation arrangement in accordance with Regulation 10(3). Applicable tax declarations and certificates shall also be obtained in accordance with the prevailing tax framework.

B.1 Time Limit for Settlement of Import Payments (Regulation 9)

The importer shall make payment for import of goods or services within the period specified in the underlying import contract.

The Bank shall monitor the relevant IDPMS entries and follow up with the importer for payment within the applicable contractual period.

The due date of payment shall be determined as follows:

Transaction Type	Due Date Determination
Direct Bills	As per the payment terms specified in the underlying import contract, purchase order, invoice or other applicable commercial document.
Collection Bills	As per the payment terms specified in the collection instruction, bill of exchange, invoice or underlying import contract, as applicable.
Letter of Credit	As per the maturity or payment terms specified in the Letter of Credit and the applicable complying presentation or acceptance.
Contract or documents without a specified due date	Basis documentary evidence provided. Where the underlying contract or transaction documents do not specify a payment period, the Bank shall require the importer to provide clarification or suitable commercial evidence establishing the agreed payment terms. The Bank shall not prescribe a contractual due date solely through an internal assumption without a reasonable documentary basis.
Import of Services	As per the payment terms specified in the underlying service contract, invoice or other applicable commercial document.
Purchase leg of a Merchanting Trade Transaction	As per the purchase contract, invoice or other applicable commercial document. Payment under the purchase leg of an MTT shall also comply with Regulation 16, including the requirement that the period between the

	outward and inward remittance, in either sequence, does not exceed six months or an extended period allowed by the Bank.
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Extension of Import Payment Period:

Where the importer is unable to make payment within the contractual period, the importer may request an extension by providing the reasons for delay, the revised expected payment date and relevant supporting information.

A request may be considered whether submitted before or after the contractual due date. A request received after the due date shall not be rejected solely because of delayed submission.

The Bank may allow an extension beyond the contractual payment period after satisfying itself regarding:

- the reasons for delay;
- the genuineness of the underlying import transaction;
- the revised expected payment date;
- the importer's compliance with applicable regulatory requirements; and
- the availability of information required for IDPMS monitoring and reporting.

The period of extension shall be determined based on the reasons for delay, the revised expected payment date, the terms of the underlying contract and the applicable regulatory framework. Where the payment arrangement constitutes Trade Credit or another borrowing, the applicable tenor and other requirements under the relevant regulatory framework shall additionally apply.

Where the importer or the relevant transaction is subject to an investigation, restraint, attachment or adverse regulatory direction, the request shall be processed only where not prohibited and after obtaining any approval, clearance or no-objection required from the competent authority.

Requests involving material aggregate outstanding import dues, prolonged ageing, repeated extensions or elevated risk indicators may be subjected to enhanced due diligence and higher approval in accordance with the Bank's internal SOP and delegation of authority.

Each extension shall be approved under the Bank's applicable delegation of authority and appropriately recorded for IDPMS monitoring and regulatory reporting.

Upon approval of the extension, the Bank shall update the revised payment due date and other applicable details in IDPMS in accordance with the regulatory reporting process prescribed by the Reserve Bank of India.

IMPORT OF SERVICES

The Bank may process payment for the import of services based on the underlying service contract, invoice and such other information or documents as may reasonably be required to establish the nature, purpose, genuineness and value of the services received or to be received.

Advance payment for import of services shall additionally comply with Regulation 10 and the Bank's applicable requirements for advance import payments.

Where payment for imported services is proposed to be made to a person other than the overseas service provider, the arrangement shall comply with Regulation 8 and the Bank's requirements relating to third-party payments. The importer shall provide information and documents establishing the identity of the third-party recipient, the relationship between the parties, the commercial rationale for the arrangement and the third party's authority to receive payment.

The classification of service-related remittances for reporting in IDPMS or processing under the applicable Form A2/FETERS framework shall be determined in accordance with the purpose-code-wise classification and reporting instructions prescribed by the Reserve Bank of India from time to time. Services identified as tradable services under the applicable RBI reporting matrix, which may be based on the WTO-GATS Services Sectoral Classification, shall be reported, monitored and closed in IDPMS in accordance with the prescribed regulatory process.

The Bank shall undertake the applicable IDPMS reporting, monitoring, reconciliation and closure after receipt and verification of the information and documents required under the applicable regulatory framework and the Bank's internal SOP.

B.2 Deferred Import Payments and Trade Credit

The payment period for an import transaction shall be governed by the terms of the underlying import contract. Where an import transaction involves suppliers' credit, buyers' credit or any other deferred-payment arrangement falling within the Trade Credit framework, the transaction shall comply with the applicable Foreign Exchange Management regulations and directions issued by the Reserve Bank of India from time to time.

Subject to the applicable Trade Credit framework, the maximum usance period shall ordinarily not exceed:

1. One year from the date of shipment or the operating cycle for import of raw materials and other non-capital goods;
2. Three years from the date of shipment for import of capital goods;
3. Three years for import of non-capital goods by shipyards or shipbuilders.
4. Up to one year from the date of invoice for import of services; and
5. Up to three years from the date of invoice where the imported services form part of capital expenditure and are capitalised in the books of the importer.

The treatment of deferred payment for import of services shall be subject to the applicable RBI purpose-code classification, IDPMS, Trade Credit or other regulatory-reporting instructions prevailing at the relevant time.

Where the usance period exceeds the period prescribed for Trade Credit reporting, the transaction shall be reported through the applicable regulatory reporting mechanism. The Trade Credit period shall be reckoned from the date of shipment for goods and from the date of invoice for services.

Trade Credit transactions shall comply with the applicable requirements relating to borrower and recognised-lender eligibility, permitted amount and currency, all-in-cost ceiling, security or guarantee, permissible tenor, hedging and regulatory reporting.

The Bank shall satisfy itself regarding the underlying Trade Credit arrangement based on the import contract, invoice, credit terms, lender or supplier confirmation and such other information or

documents as may be required. The documentation shall clearly establish the amount, currency, tenor, interest or other costs, repayment terms and identity of the recognised lender.

A deferred-payment arrangement that exceeds the permissible tenor or otherwise does not comply with the applicable Trade Credit framework shall not be processed as Trade Credit under this Policy. Where the transaction independently qualifies under another borrowing framework, it shall be handled separately in accordance with the applicable regulatory framework, the Bank's relevant policy and the prescribed approval and reporting process.

The detailed assessment, documentation, monitoring, approval and reporting requirements shall be governed by the Bank's internal SOP and the applicable regulatory instructions

B3. Third Party Payment for Import Transactions (Regulation 8)

A third-party payment arises where payment relating to an import of goods or services is made to a person other than the overseas supplier or service provider identified in the underlying import contract, invoice or other relevant commercial document.

The Bank may permit a third-party payment on the importer's request citing reasons, after satisfying itself regarding the bona fides of the underlying import transaction and the third-party arrangement.

The importer shall provide information and documents sufficient to establish:

- The underlying import transaction;
- The identity of the overseas supplier or service provider and the third-party payee;
- The relationship or arrangement between the relevant parties;
- The commercial rationale for making payment to the third party;
- The contractual or other legal authority of the third party to receive payment;
- The amount and purpose of the payment;
- The linkage with the relevant contract, invoice, Bill of Entry or service transaction; and
- Confirmation that payment to the third party will discharge the importer's payment obligation to the overseas supplier or service provider.

Supporting documents may include, as applicable:

- A tripartite agreement;
- If tripartite agreement is unavailable, documentary evidence explaining the third-party payment arrangement may be accepted;
- The Bill of Entry should ordinarily indicate the overseas supplier or shipper and, where applicable, the third party authorised to receive payment. Where the third-party payee's details are not reflected in the Bill of Entry, the importer shall provide satisfactory documents establishing the commercial basis of the third-party arrangement and the third party's authority to receive payment. Such documents may include the importer's request or correspondence submitted to the Customs authority for amendment or correction of the Bill of Entry.
- Instructions or confirmation from the overseas supplier or service provider;
- An assignment notice or factoring agreement;
- A group or associate-company confirmation;

- A collection, agency or centralised payment arrangement;
- An invoice or contract containing third-party payment instructions;
- Documents evidencing merger, succession or restructuring of the overseas entity; or
- Any other document reasonably required by the Bank to establish the genuineness and commercial basis of the arrangement.

The Bank shall process a third-party payment only after satisfying itself regarding the genuineness and regulatory permissibility of the underlying import, the identity and authority of the third-party payee, the commercial rationale and transaction linkage and compliance with applicable payment, KYC/ AML and sanctions and TBML requirement.

The Bank may seek additional information, undertake enhanced due diligence, impose appropriate conditions or decline the request where the commercial rationale, authority of the third party or transaction trail is not satisfactorily established, or where material legal or regulatory concerns are identified.

Detailed documentation, approval, screening, payment routing, regulatory reporting, IDPMS reconciliation and record-retention requirements shall be governed by the Bank's internal SOP.

B.4 Interest on Import Bills

Interest relating to an import payment may arise as usance interest under the original contractual credit terms or as delayed-payment interest where the import payment is made after the contractually agreed due date.

Interest on import payments may arise under either of the following circumstances:

A. Usance Interest

Usance interest means interest forming part of the original commercial terms agreed between the importer and the overseas supplier or service provider under the import contract, where payment is to be made after a specified credit period. Such interest may be remitted as part of the import transaction, subject to compliance with the applicable all-in-cost ceiling and other regulatory requirements. Such transactions should be supported by the underlying import contract, Letter of Credit, invoice, bill of exchange or other satisfactory commercial document.

Where the usance or deferred-payment arrangement falls within the Trade Credit framework, the transaction shall comply with the applicable requirements relating to permissible tenor, all-in-cost ceiling, recognised-lender eligibility, security, reporting and other regulatory conditions.

B. Delayed-Payment Interest

Delayed-payment interest means interest charged by the overseas supplier or service provider on account of payment being made after the contractually agreed due date under the original import contract. Interest payable on delayed import payments shall not exceed the applicable all-in-cost

ceiling for Trade Credit under the prevailing Foreign Exchange Management regulations and directions issued by the Reserve Bank of India.

The importer shall provide the underlying contract or other commercial document, interest claim or debit note, interest calculation, revised payment terms and such other information or documents as may reasonably be required by the Bank.

Where the delay results in payment being made beyond the period stipulated in the underlying contract, the importer shall obtain the requisite extension in accordance with Regulation 9, wherever applicable.

Where the delayed-payment arrangement constitutes Trade Credit or another borrowing, the applicable Trade Credit or borrowing requirements shall additionally apply.

C. Prepayment of Usance Import Bills

Where an importer proposes to prepay a usance import bill before its contractual maturity date, the interest attributable to the unexpired usance period shall be deducted and adjusted from the amount remitted. Any reduction or waiver of interest for the unexpired usance period shall be supported by satisfactory evidence from the overseas supplier, service provider, financing bank or other relevant party.

Detailed documentation, interest computation, Trade Credit assessment, tax compliance, approval, reporting and operational requirements shall be governed by the Bank's internal SOP.

B.5 Import of Gold and Silver (Regulation 11)

The Bank may process payment for import of gold or silver only where the importer, goods, import route and payment arrangement are eligible under the prevailing Foreign Trade Policy, applicable ITC(HS) import policy conditions, FEMA regulations, RBI directions and other applicable regulatory requirements.

The importer shall provide the applicable licence, authorisation, nomination, quota allocation, eligibility confirmation or other documentary evidence required for the relevant form of gold or silver and the proposed import route.

The Bank shall verify the importer's eligibility and compliance with the conditions applicable to the relevant ITC(HS) code before processing the import payment. Eligibility may include, as applicable, nominated banks, nominated agencies, qualified jewellers importing through the India International Bullion Exchange, valid tariff-rate quota holders or other entities expressly permitted under the prevailing regulatory framework.

Import of gold or silver through an SEZ, the India International Bullion Exchange or another specified mechanism shall comply with the conditions applicable to that arrangement, including any licence, authorisation, quota, Customs, IFSCA or DGFT requirements.

Import transactions involving gold or silver shall be subject to appropriate risk-based due diligence, including verification of the importer, overseas supplier, source and destination of funds, transaction value, quantity, purity, pricing, import route and compliance with applicable KYC/AML, CFT, sanctions and Trade-Based Money Laundering requirements.

Save as otherwise permitted under FEMA or the applicable rules, regulations or directions issued thereunder, the Bank shall not permit any advance remittance for the import of gold or silver.

The detailed eligibility checks, applicable ITC(HS) codes, documentary requirements, authorised import routes, approval requirements, monitoring and IDPMS reporting procedures shall be governed by the Bank's internal SOP and the prevailing regulatory instructions.

B.6 IDPMS Reporting and Closure of Entries (Regulation 18)

The Bank shall report, monitor, update, mark off and close import entries and the applicable legs of Merchanting Trade Transactions in IDPMS in accordance with Regulation 18 and the reporting process prescribed by the Reserve Bank of India.

1. Reporting Requirements and Monitoring

The Bank shall:

- Enter details of imports through non-EDI ports in IDPMS within five working days from receipt of the applicable documents;
- Enter details of import of services, as declared and submitted by the importer, in IDPMS within five working days from receipt of the applicable documents;
- Record the relevant inward and outward remittances relating to Merchanting Trade Transactions in IDPMS, EDPMS, FETERS or any other regulatory system prescribed by the Reserve Bank of India, as applicable;
- Monitor outstanding IDPMS entries and follow up with importers for the information and documents required for reconciliation and closure; and
- Maintain appropriate records and an audit trail of all reporting, updating, extension, mark-off and closure actions.

Where an extension of the import-payment period is allowed under Regulation 9, the Bank shall update the revised payment due date and other applicable details in IDPMS in accordance with the prevailing regulatory reporting process.

2. Mark-off and Closure of Import Entries

The Bank shall mark-off import entries in IDPMS upon satisfaction that payment for the import transaction has been completed and the prescribed documentary requirements have been complied with.

The Bank may close an IDPMS entry through any of the following permitted modes:

- Payment of the full import value;
- Settlement of the import transaction at a reduced value under Regulation 18(1)(k);
- Closure of an import-advance entry under Regulation 18(1)(j);
- Set-off permitted under Regulation 7;

- Closure based on a declaration for an eligible transaction having an original value up to ₹10 lakh under Regulation 4(2) and Section 15.1 of this Policy;
- Payment to an authorised third party or factor under a permitted arrangement; or
- Another mode expressly permitted under FEMA or directions issued by the Reserve Bank of India.

3. Import Settled at a Reduced Value

Where an import transaction has been settled at a reduced value, the importer may request closure of the corresponding IDPMS entry by providing the reasons for the reduction and relevant supporting information.

The Bank may close the entry after satisfying itself regarding the genuineness of the reasons, the amount actually payable and paid, and the linkage with the underlying import transaction.

4. Closure of Import-Advance Entries

Where no import has taken place and repatriation of the advance payment is not possible, the importer may request closure of the corresponding import-advance entry by providing the reasons and relevant supporting information.

The Bank may close the IDPMS entry after satisfying itself regarding the genuineness of the reasons and completing the applicable due-diligence, approval and reporting requirements.

Until the advance payment is repatriated within the contractual or extended period, or the corresponding IDPMS entry is closed under Regulation 18(1)(j), as applicable, the restriction prescribed under Regulation 12 shall apply to future advance import payments by the importer.

5. Reporting and Record Retention

The Bank shall report import transactions through FETERS and other applicable regulatory systems in accordance with the prevailing directions issued by the Reserve Bank of India.

All customer requests, declarations, supporting documents, approvals and system records relating to IDPMS reporting, reconciliation, mark-off and closure shall be retained in accordance with the Bank's record-retention framework and applicable regulatory requirements.

The detailed reporting fields, documentary requirements, system procedures, approval and exception-handling requirements shall be governed by the Bank's internal SOP.

B.7 Processing of High Sea Sales

High Sea Sale refers to the sale of imported goods by the original importer to another buyer after the goods have been dispatched from the country of export but before the goods are cleared for home consumption in India.

The transfer shall be supported by a duly executed High Sea Sale agreement and the applicable transport, title, commercial and Customs documents. Where a negotiable Bill of Lading is issued, the transfer may be evidenced through appropriate endorsement and delivery of the document. For air shipments or other cases where the transport document is not a negotiable document of title, the

transfer shall be supported by appropriate contractual documents and confirmation or amendment by the carrier, custodian or other relevant party, as applicable.

The High Sea Sale buyer shall ordinarily act as the ultimate importer and shall be responsible for Customs clearance, filing the Bill of Entry and submission of the applicable evidence of import. The Bill of Entry or Customs declaration shall contain the correct and complete particulars of the High Sea Sale buyer and seller, as required under the applicable Customs process.

The Bank may process a payment relating to a High Sea Sale transaction after satisfying itself regarding:

- The genuineness of the underlying import and High Sea Sale transaction;
- Execution of the High Sea Sale before clearance of the goods for home consumption in India;
- The complete chain of contracts, invoices and transfers;
- The respective payment obligations of the original importer and the High Sea Sale buyer;
- Linkage of the payment with the relevant Bill of Entry and IDPMS entry;
- Compliance with the prevailing Foreign Trade Policy, Customs and FEMA requirements; and
- Compliance with applicable KYC/AML, CFT, sanctions and Trade-Based Money Laundering controls.

The customer shall provide, as applicable:

- The original import contract and overseas supplier's invoice;
- The High Sea Sale agreement and High Sea Sale invoice;
- The Bill of Lading, Air Waybill or other transport document;
- Evidence of endorsement, carrier confirmation or amendment of consignee details, where applicable;
- The Bill of Entry filed by the High Sea Sale buyer;
- Details of payments made or payable to the overseas supplier and between the High Sea Sale parties; and
- Any other information or documents reasonably required by the Bank to establish the transaction and payment trail.

The relevant IDPMS entry shall be updated or closed only after the Bank establishes the linkage between the original import, High Sea Sale arrangement, payment to the overseas supplier and the Bill of Entry filed by the ultimate importer.

Detailed documentation, IDPMS reconciliation, approval and record-retention requirements shall be governed by the Bank's internal SOP.

B.8 Receipt of import documents by the importer/Bank directly from overseas suppliers

In case the Import documents have been received by the importer directly from the overseas supplier or by the Bank through the overseas supplier or its bank, depending on the underlying contractual and payment arrangement.

The Bank may process an import payment where documents have been received directly by the importer after satisfying itself regarding:

- The genuineness of the underlying import transaction;

- The identity and bona fides of the overseas supplier;
- The commercial rationale and payment terms;
- The authenticity and consistency of the import documents;
- The linkage between the payment, invoice, transport documents and Bill of Entry, as applicable;
- Compliance with the prevailing Foreign Trade Policy and other applicable regulatory requirements; and
- Compliance with applicable KYC/AML, CFT, sanctions, fraud-prevention and Trade-Based Money Laundering controls.

The importer shall provide, as applicable:

- The underlying import contract, purchase order or proforma invoice;
- The commercial invoice;
- The Bill of Lading, Air Waybill or other transport document;
- The Bill of Entry or other applicable evidence of import;
- The reason for direct receipt of documents;
- Payment instructions from the overseas supplier; and
- Such other information or documents as may reasonably be required by the Bank.

For import of services, the importer shall provide the underlying service contract, invoice, evidence of completion or receipt of services, and such other supporting information as may be required by the Bank.

The Bank may also obtain a supplier or credit report from an overseas bank, recognised credit-information provider or other reliable source where considered necessary based on the importer, supplier, transaction, country or commodity risk.

For imports of rough diamonds, lab-grown diamonds, precious stones and semi-precious stones, direct receipt of import documents may be considered subject to the importer's eligibility, applicable Foreign Trade Policy requirements, transaction-value thresholds and enhanced documentation prescribed under the Bank's internal SOP.

Where import documents are received by the Bank directly from the overseas supplier rather than through the supplier's bank, the Bank shall establish the identity and authority of the sender, verify the authenticity of the documents and payment instructions, and satisfy itself regarding the genuineness of the underlying import before processing the payment. Receipt of documents directly from the overseas supplier shall not, by itself, constitute a documentary collection instruction or create any obligation on the Bank to examine or handle the documents under collection rules.

The corresponding IDPMS entry shall be updated or closed only after the Bank verifies the underlying import, payment made and applicable evidence of import of goods or completion of services.

Detailed customer-category thresholds, commodity-specific requirements, supplier-report requirements, approval authorities, document-verification procedures and IDPMS controls shall be governed by the Bank's internal SOP and delegation of authority.

B. 9 Evidence of Import in Lieu of Bill of Entry (BoE)

The Bill of Entry or another Customs document prescribed under the applicable regulatory framework shall ordinarily constitute evidence of import of goods into India.

Where the Bill of Entry is not available for genuine and documented reasons, the Bank may, on an exceptional basis, accept alternative evidence of import for the limited purpose of IDPMS reconciliation and closure, after satisfying itself that the goods have actually been imported into India and that the underlying transaction is genuine.

Acceptance of alternative evidence shall not constitute a waiver of the importer's obligation to file or obtain a Bill of Entry or comply with any requirement prescribed under Customs laws, the Foreign Trade Policy or another applicable regulatory framework. The importer shall remain responsible for complying with all applicable Customs and import requirements.

The importer shall provide:

- A written request explaining the reasons for non-availability of the Bill of Entry;
- The underlying import contract, purchase order and commercial invoice;
- Transport, delivery, warehouse, inventory, accounting or other records evidencing receipt of the goods in India;
- Remittance and supplier details;
- Confirmation regarding the status of Customs clearance and the Bill of Entry; and
- Such other information or documents as may reasonably be required by the Bank.

Where permitted under the Bank's internal framework, the alternative evidence may include a certificate from the Chief Executive Officer, Chief Financial Officer, authorised senior official or statutory auditor of the importer confirming:

- The description, quantity and value of the goods imported;
- The overseas supplier and relevant invoice particulars;
- The date and place of import or receipt of the goods;
- The payment made or payable against the goods;
- Recognition of the goods and related liability in the importer's books and records;
- The reasons for non-availability of the Bill of Entry; and
- That the certificate is based on verification of the importer's books, records and supporting documents.

For specified public-sector entities, government departments, statutory or autonomous bodies, and educational or scientific institutions, an equivalent certificate may be accepted from an appropriately authorised official or auditor, subject to the Bank's satisfaction regarding the authority of the certifying person and the reliability of the supporting records.

The Bank may accept alternative evidence only after satisfying itself regarding:

- The genuineness of the underlying import and payment;
- Actual receipt of the goods in India;
- The reasons for non-availability of the Bill of Entry;
- Consistency of the certificate with the importer's supporting records;
- Absence of material Customs, sanctions, AML/CFT, fraud or Trade-Based Money Laundering concerns; and

Alternative evidence shall not be accepted where the Bank is unable to establish actual import of the goods, where material discrepancies remain unresolved, or where acceptance is prohibited by an applicable Customs, legal or regulatory requirement.

The eligible customer categories, transaction-value thresholds, approving authorities, certificate format, supporting-document requirements and enhanced due-diligence procedures shall be governed by the Bank's internal SOP and delegation of authority.

Policy Governance and Applicability

This Policy establishes the Bank's overarching framework for handling export and import transactions relating to goods and services, including software, and Merchanting Trade Transactions in accordance with the applicable Foreign Exchange Management regulations and regulatory instructions.

The Bank shall adopt a facilitative, customer-focused and risk-based approach while ensuring the genuineness of transactions, timely regulatory reporting, appropriate monitoring and compliance with applicable KYC/AML, CFT, sanctions and Trade-Based Money Laundering requirements.

The detailed documentation, processing, approval, monitoring, reporting and control requirements shall be governed by the Bank's internal SOP and delegation of authority. The Policy and the main customer-facing features of the SOP shall be made available on the Bank's website and reviewed periodically to incorporate regulatory developments, operational experience and customer feedback.

This Policy shall be read in conjunction with the applicable provisions of FEMA, the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026 and the directions, clarifications and instructions issued by the Reserve Bank of India from time to time. Where any provision of this Policy is inconsistent with an applicable law, regulation, direction or instruction issued by the Reserve Bank of India or another competent authority, the applicable legal or regulatory requirement shall prevail.

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Exports/Imports – List of documents Matrix Annexure II

EXPORTS

SL	Scenarios/ Particulars	Indicative Checks by the Bank	Indicative List of Documents / Information
1.	General Checkpoints for Exports	1. Customer IEC (as required under FTP) 2. Permissibility of Exports under FTP 3. Applicability of the Legal Entity Identifier (LEI) as per applicable regulatory thresholds	
2.	Export advance	<u>Timelines for exports:</u> In general, up to contractual terms or within 3 years for export of goods, services and software. a. Exports beyond 3 years from advance receipt may be handled based on any additional due diligence or documents as per bank policy. b. Interest rate payable, if any shall not exceed the all in- cost ceiling of trade credit in terms of the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, as amended from time to time. c. Routing advance receipts and realization of export proceeds, if any, through the same AD Bank. If routed through different AD Banks, proof of intimation to all banks involved to be shared by exporter.	a. Goods / service (including software) – 1. Disposal Instructions 2. FEMA Declaration (can be part of Disposal instructions) b. Mail communication/ intimation letter/e FIRC copy in case part advance was routed through another AD Bank. Note: Documents/information can be submitted physically/digitally.
3.	Export realization/Lodgement	a) Time period for Realisation of exports: (i) Nine months from the date of shipment in case of goods (other than goods exported to a	<u>A. Documents for export of goods (non-LC)</u> a. <u>Export bill lodgement under collection - Bank Dispatch</u> 1. Customer Request Letter with FEMA declaration

	<p>warehouse outside India) and from the date of invoice in case of services;</p> <p>(ii) Nine months from the date of sale of goods from the warehouse in case of goods exported to a warehouse outside India;</p> <p>(iii) as per payment terms of the contract, in case of project exports</p> <p>(iv) where the export of goods and services is invoiced or/and settled in INR, the period for realization and repatriation of full export value shall be twelve months, from the date of shipment in case of goods (other than goods exported to a warehouse outside India), from the date of invoice in case of services, and from the date of sale of goods in case of goods exported to a warehouse outside India;</p> <p>b) AD Banks may check EDPMS entries being outstanding for the shipping bill against which the export has been realized, as a minimum due diligence for ascertaining 'genuineness' of the transaction. Any additional checks may be defined as per internal policies of the banks.</p> <p>c) Where export proceeds from a specific overseas buyer remain unrealised beyond one year from the applicable due date or extended due date, further exports to that overseas buyer shall be undertaken only against full advance payment or an irrevocable Letter of Credit, until the relevant outstanding is</p>	<p>2. Invoice cum Packing list 3. Transport document 4. Shipping bill details</p> <p><u>b. Export bill lodgement under collection - Direct Dispatch by exporter</u></p> <p>1. Customer Request Letter with FEMA declaration 2. Documents provided by the exporter 3. Shipping bill details. 4. Underlying Invoice & Transport Documents.</p> <p><u>c. Export bill regularization against advance payment</u></p> <p>1. Customer Request Letter with FEMA declaration 2. Invoice cum Packing list 3. Transport document 4. Shipping bill details & IRM details</p> <p><u>B. Exports Under LC</u></p> <p>1. Customer request letter with FEMA Declaration. 2. Documents required as per LC terms and conditions</p> <p><u>C. Export of Services</u></p> <p>1. Customer request letter with FEMA Declaration 2. Export Declaration form (EDF) (EDF to be provided as per timelines / extended period and in the manner as permitted under Regulation 3 of FEMA 23 R) 3. Invoice 4. Details of Invoice to be mentioned in the EDF</p> <p><u>D. Other case specific documents:</u></p> <p>1. For FCY exports to SEZ: Certificate from remitting bank or SEZ that proceeds were remitted from SEZ FCY a/c 2. Small value Shipping bill (Shipping Bill having an original value up to ₹10 lakh or its foreign currency equivalent):</p>
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		<p>realised, repatriated or otherwise regularised in accordance with the applicable Regulations.</p>	<p>Declaration confirming export receipt in full or otherwise</p> <p>3.Handling of export proceeds under factoring: Bank can handle inward proceeds pertaining to with or without recourse factoring where the factoring is done by offshore banks / agencies.</p> <p>The charges/interest for such factoring may be as per commercial arrangement between the exporter and the offshore bank / agency (no interest cap).</p> <p>Customer may provide copy of factoring agreement/message from remitting bank that these are proceeds under with/without recourse factoring done by offshore bank / agency.</p> <p>For without recourse factoring - AD Bank can close EDPMS upon receipt of factoring proceeds in line with extant standard process. For with-recourse cases, the EDPMS shall be closed after receiving confirmation from the exporter that the payment has been made by the overseas buyer.</p> <p>The reporting and closure treatment shall be subject to the applicable RBI/FEDAI instructions prevailing at the relevant time.</p> <p>Note:</p> <p>1.Documents/information can be submitted physically / digitally.</p> <p>2.For cases where customers are unable to provide export documentation at the time of export realization, due to reasons such as time required for reconciliation/ other such operational aspects, Banks may permit a deferral for document submission up to a reasonable time</p>
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			<p>3. Bank can facilitate transactions on paperless basis, as per internal policy for offering such facility.</p> <p>4. Applicability of FEMA 23R: The applicability of these Regulations and EDPMS/IDPMS reporting to supplies involving SEZs, EOUs or deemed exports shall be determined in accordance with the applicable Foreign Trade Policy, Customs treatment and RBI system/reporting instructions.</p> <p>5. Filing of EDF Services & Software: Any service providers exporting IT and ITeS shall file EDF with AD Bank as the Specified Authority in accordance with regulation 2 (f) of FEMA 23 R. The Specified Authority for software exporters can be either AD Bank or STPI.</p>
4	Export to warehouse	<p>Revised timelines for realization:</p> <p>(i) 09 months from date of sale of goods from the warehouse</p> <p>(ii) 12 months from the date of sale of goods in case of goods, where invoicing/settlement is in INR</p>	<p>Additional requirement over and above export advance/export Realisation covered above</p> <p>(i) At lodgement stage: Confirmation from customer that this is an export to Warehouse. Customer to provide date of sale once the goods are sold from warehouse.</p> <p>(II) At realization stage: Final invoice/sale receipt/ confirmation from customer for the sale.</p> <p>(III) Additional document for Bharat Mart Warehouse cases: Existing regulations (including approval & timelines shall continue).</p> <p>Note: Transactions involving Bharat Mart or any other warehouse arrangement governed by a specific regulatory framework shall be handled in accordance with the separate approval, documentation and timeline requirements applicable to that arrangement.</p>

5.	Export on lease hire basis	<p>The Bank shall assess the genuineness and commercial rationale of the lease or hire arrangement, the nature and ownership of the goods, the lease period, rental schedule and arrangements for return, re-import, permitted sale or other disposal of the goods. The Bank shall monitor the linkage and realisation of lease rentals in accordance with the contractual terms and applicable export-realisation period.</p> <p>Note: Financing arrangements or transactions having the characteristics of financial borrowing shall be examined under the applicable borrowing and lending framework.</p>	<p>Additional requirement over and above export advance / export bill under collection covered above</p> <ol style="list-style-type: none"> 1) Lease or hire agreement setting out the lease period, rental amount, payment schedule and arrangements for return, re-import, sale or other disposal of the goods. 2) EDF declaration <p>Note: Lease rentals shall be realised and repatriated in accordance with the contractual terms. The exporter shall provide information necessary to link each rental receipt to the relevant lease arrangement. At the time of closure, the Bank may seek evidence regarding receipt of the rentals due and the return, re-import, transfer or other permitted disposal of the leased goods, as applicable.</p>
6	Reduction in invoice value	<p>(i) The Bank shall assess the genuineness of the request, the commercial reasons for reduction in invoice value, the amount and percentage of reduction, supporting evidence appropriate to the circumstances, and consistency with the underlying export transaction.</p> <p>(II) No ongoing ED/Government Agency enquiry for SBs/IRMs involved. In case of an ongoing enquiry, NOC should be sought.</p>	<p>Combined with write-off</p> <ul style="list-style-type: none"> • Customer declaration citing reason for reduction. • Credit note, quality or quantity dispute record or other evidence • Communication with Buyer. • CA Certificate basis amount of reduction.
7	Extension of Export/ Shipment Completion Period or Realisation Period	<p>The Bank shall assess the reasons for delay, the revised expected date of shipment, export or realisation, the current status of the underlying transaction, the exporter's conduct and the reasonableness of the requested extension. Export transaction is not under any ongoing ED/Government Agency enquiry</p>	<p>In case of delay, customers can approach Bank for an extension of time for:</p> <ol style="list-style-type: none"> a. Extending shipment date in EDPMS for advance proceeds received OR b. Extending time period for realization if export is already done. <p>Document required for extension:</p>

		for SBs/IRMs involved. In case of an ongoing enquiry, NOC should be sought.	Customer request letter/declaration seeking an extension of time - mentioning the reasons for delay and revised expected date of export, shipment or realisation, as applicable.
8	Set-off	<p>1. Export receivables and import payables should be outstanding from/to the same overseas buyer or supplier or with their overseas group or associate companies</p> <p>2. Set-off should be happening within the stipulated period for realization of export proceeds or extended period</p> <p>The Bank shall satisfy itself regarding the genuineness and linkage of the underlying transactions, the mutual agreement for set-off and appropriate EDPMS and IDPMS reporting. Where different AD Banks are involved, the set-off may be considered subject to suitable inter-bank confirmation and reconciliation.</p>	<p>a. Import and export documents routed through same bank</p> <p>1. Customer request letter 2. A communication/any other document between the overseas buyer and supplier agreeing to set-off 3. Documents as required for export/import to be taken.</p> <p>If import and export documents are routed through multiple AD Banks, the set-off may also be considered with suitable communication between the Banks involved and ensuring relevant E/IDPMS reporting.</p>
9	Refund of export advance	The refund shall ordinarily be made to the original remitter and through the banking channel through which the advance was received, unless otherwise permitted after appropriate due diligence.	<p>1. Customer request letter (with FEMA declarations) with suitable reason for refund. 2. Form A2 3. Details of the original inward remittance/IRM 4. Underlying contract and invoice.</p>
10	Write-off / reduction	<p>(i) Genuineness of request basis reasons provided / documents listed</p> <p>(ii) Export transaction is not under any investigation/ adverse notice of ED or CBI or any other law enforcement agency (can be confirmed by customer in the request letter itself). In case of an ongoing enquiry, NOC should be sought.</p>	<p>Shipping bill up to INR 10 lakh or FCY equivalent –</p> <p>1. Customer request letter incorporating declaration for receipt of proceeds with details of IRM along with reduction/ write off involved and SB to be closed</p> <p><u>SB Beyond INR 10 lakh or FCY equivalent - a. Customer request letter with rationale for write-off, such as-</u></p>

		(III)IRM cancellation - The Bank shall verify the reason for cancellation or correction of the IRM, linkage with the original remittance, whether the entry is duplicate, erroneous or incorrectly classified and whether any underlying export obligation or refund remains outstanding. A valid export advance shall not be cancelled merely because the proposed export did not take place.	<ul style="list-style-type: none"> i. quality or quantity issue ii. commercial disputes iii. contract cancellation iv. goods lost in transit v. destruction of goods vi. volume or cost discount vii. credit note provided to buyer. viii. any other reasons as applicable. <p>IRM cancellation</p> <p>1. Only applicable for export advances (P0103)</p> <p>2.Customer request letter with rationale for non-refund of advance and no shipment</p>
11	Third party payments	The Bank shall assess the genuineness of the third-party arrangement, the relationship among the exporter, overseas buyer and third-party remitter, the commercial rationale for the arrangement, and the linkage of the receipt with the underlying export transaction. The Bank shall also verify that the third-party details are captured in the applicable Shipping Bill, EDF, invoice or other regulatory record, where required or permitted.	<p>Third Party Payment realization (Shipment done and bill lodged, payment to be realized against lodged bill)/regularization (advance received, bill to be regularized) can be handled basis:</p> <ul style="list-style-type: none"> a. Shipping Bill/EDF/Invoice mentioning details of 3rd party OR b. Tri-partite agreement OR c. A justification from customers confirming third party involvement. <p>Note: The Bank may seek additional information to establish the relationship between the exporter, overseas buyer and third-party remitter and the bona fide nature of the arrangement.</p>
12	GR/EDF Waiver	The Bank shall verify the nature and purpose of the export, the absence of any foreign-exchange consideration and the applicable EDF, Customs and Foreign Trade Policy treatment. In a re-import case, the Bank shall assess the proposed re-import arrangement and obtain the relevant evidence upon re-	<p>In such cases, exporters need to ensure-</p> <ul style="list-style-type: none"> 1. EDF form mentioning NIL for export value is submitted to Specified Authority. 2. In case of re-imports, Bill of Entry submitted GR waiver / approval from Bank shall not be required.

		import. Where an export value is required to be declared for Customs or statistical purposes despite no foreign-exchange realisation, the declaration shall be completed in the manner prescribed by the applicable authority.	
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Note: The documents and information listed in this Annexure are indicative. The Bank may seek documents or information depending on the nature, value, complexity and risk profile of the transaction.

Imports

SL	Scenarios/ Particulars	Indicative Checks by the Bank	Indicative List of Minimum Documents
1	General Checkpoints for Imports	1. Customer IEC (as required under FTP) 2. Permissibility of Imports under FTP 3. Applicability of the Legal Entity Identifier as per applicable regulatory thresholds	
2.	Advance payment	<p>Before permitting an advance payment for import, the Bank shall satisfy itself regarding the genuineness of the requirement, the underlying import transaction, the overseas supplier, the amount and purpose of the advance, the expected date of import and the customer's ability to complete the transaction. For advance payments exceeding the threshold prescribed by the Bank, the importer shall furnish a standby Letter of Credit or guarantee from an international bank of repute.</p> <p>The period for completion of the import shall ordinarily be governed by the underlying contract. Where the transaction falls within the Trade Credit, External Commercial Borrowing or any other applicable borrowing framework, the relevant eligibility, tenor, all-in-cost and reporting requirements shall also be complied with.</p> <p>Where the import does not materialise within the contractual period or the period extended by the Bank, the Bank shall assess the reasons for the delay, the status of the import, the possibility of granting a further extension, repatriation of the advance, or closure or mark-off of the relevant IDPMS entry in accordance with the applicable Regulations. Until the earlier advance is repatriated or the relevant IDPMS entry is marked off, any subsequent advance payment for import by the importer shall be supported by a standby Letter of Credit or guarantee from an international bank of repute, in accordance with Regulation 12.</p>	<p>a) Customer request letter (with relevant FEMA declarations) b) Purchase Order / copy of agreement / proforma invoice c) Any additional document depending on the underlying - e.g. in-principal approval from Ministry of Civil Aviation / Director General of Civil Aviation / other such agency for import of aircraft. d) Expected date of Import e) Form 145-146 (for services)</p> <p>Additional document for import of rough diamonds –</p> <p>a. The overseas mining company should have the recommendation of GJEPC. b. Copy of Kimberley Process Certificate for the diamonds intended to be imported.</p> <p>Documents to be submitted once import materialized: Proof of import viz.</p> <p>A. Goods – a) Invoice b) Transport documents (if applicable) c) Bill of entry details (for goods) B. Services- a) invoice</p> <p>Other case specific documents: a) If import is under documentary collection OR under LC - additional documents as per covering schedule / terms of LC (including insurance</p>

			<p>copy - as per INCO terms) to be obtained.</p> <p>b) For any repatriation of advance remittance (return of funds from overseas seller to the importer), reason for repatriation to be obtained from customer</p>
3.	Import remittances	<p>The Bank shall satisfy itself regarding the genuineness of the import payment, its linkage with the underlying contract, invoice and import evidence, the identity of the beneficiary, the amount payable and the applicable payment terms. The Bank shall also verify the appropriate IDPMS entry and consider whether the payment terms fall within the applicable Trade Credit, borrowing or other regulatory framework. Deferred payment for import of services shall be handled and reported in accordance with the framework prevailing at the relevant time.</p>	<p>A) Import of goods:</p> <ol style="list-style-type: none"> 1.Customer Request Letter including FEMA declaration. 2.Commercial Invoice 3.Transport Document (Bill of Lading/Air Waybill/Rail Receipt etc.) 4.Bill of Entry details <p>B-Services-</p> <ol style="list-style-type: none"> a) Customer request letter including FEMA declaration b) invoice c) Form 145/146 <p>B) Under LC / collection</p> <ol style="list-style-type: none"> 1.Customer Request Letter in the Bank standard format. 2.Bill of Entry details 3.Documents as per terms and conditions of LC / collection <p>Note:</p> <ol style="list-style-type: none"> 1. For small value Bill of Entry (upto INR 10 lakh or FCY equivalent), import payment can be made basis declaration from customer itself capturing details of BOE. Documents listed above shall not be required. <p>Note: Additional documents may be sought where the declaration is incomplete, inconsistent with the Bank's records or gives rise to material genuineness or regulatory concern.</p> <ol style="list-style-type: none"> 2. Documents / information can be submitted physically / digitally. 3. Bank can facilitate transactions on paperless basis, as per internal policy for offering such facility. 4. Applicability of FEMA 23R: FEMA 23R shall apply to all "import" defined as per FTP. For sale from SEZ to DTA, existing treatment under IDPMS may continue.

4.	Third-Party Imports	<p>The Bank shall assess the genuineness of the third-party payment arrangement, the relationship among the importer, overseas supplier and third-party beneficiary or remitter, the commercial rationale for the arrangement and the linkage with the underlying import transaction. The Bank shall verify that third-party details are appropriately captured in the invoice, purchase order, Bill of Entry or other relevant record where required or permitted under the applicable process.</p> <p>In case of Third-Party advance remittances – Third Party details to be mentioned in the Proforma Invoice or a Tripartite Agreement signed by all the three parties. Also, Undertaking by Remitter that the name of the third-party involved in the transaction would be incorporated in the BoE.</p>	<p>Third Party Payments can be handled basis:</p> <ol style="list-style-type: none"> Customer Request Letter Invoice / Purchase Order / Bill of entry mentioning details of 3rd party OR Tri-partite agreement Justification from customer confirming third party involvement. <p>Note: Third-party import payments may be considered based on evidence establishing the underlying arrangement, which may include third-party details in the Bill of Entry or a tripartite agreement or the invoice along with a satisfactory justification from the customer. Where the applicable Customs record permits or requires third-party details, the importer shall ensure that such particulars are appropriately captured or amended.</p>
5	Import on lease basis	<p>Import of goods under an operating lease may be handled under the applicable import regulations, subject to the lease terms and supporting documents. A lease having the nature or economic substance of a financing arrangement shall be examined under the applicable Foreign Exchange Management (Borrowing and Lending) Regulations and related RBI directions.</p>	<p>For import on lease basis, document confirming lease agreement to be obtained additionally to the documents required for import of goods.</p>
6	Extension of Import Completion Period or Import Payment Period	<p>The customer may request:</p> <ol style="list-style-type: none"> extension of the period for completion of import against an advance payment; or extension of the payment period where the import has already materialised. <p>The request should provide the relevant import/IDPMS details, reasons for delay and the revised expected date. Interest-bearing or deferred payment arrangements shall additionally comply with the applicable Trade Credit or borrowing framework.</p>	<p>In case of delay, customers can approach Bank for an extension of time for:</p> <ol style="list-style-type: none"> Extending import due date in IDPMS for advance / import payment made OR Extending payment date in IDPMS if import already materialized. <p>Document required for extension: Customer request letter / declaration seeking extension of time</p>

7.	Delayed import payment	The Bank shall assess the genuineness of the delayed payment, the reasons for delay, evidence that the import has materialised, the amount remaining payable, and consistency with the underlying contract and IDPMS entry. Where interest is payable or the deferred payment constitutes Trade Credit or another borrowing arrangement, the applicable eligibility, all-in-cost and reporting requirements shall be complied with.	Customer provide rationale for the delay.
8	Reduction, Reconciliation or Closure of Import Entry	<p>The Bank shall assess the genuineness of the request, the reasons for the difference, reduction, non-utilisation or non-repatriation and the linkage between the payment and the relevant import entry. The Bank shall verify whether any further payment, refund or settlement remains due and consider supporting evidence appropriate to the circumstances.</p> <p>Where an advance import payment remains unresolved, the Bank shall additionally assess the reasons for non-import or non-repatriation, the importer's recovery efforts and the basis for closure to mark-off of the relevant IDPMS entry.</p> <p>For a free-of-cost import or an import carrying no remittance obligation, the Bank shall verify the absence of any payment liability and consistency among the invoice, Bill of Entry and underlying commercial arrangement.</p> <p>Any restraint, attachment, specific regulatory direction or material inconsistency shall be handled through appropriate escalation.</p>	<p>For BOE closure Upto INR 10 lakh or FCY equivalent - customer declaration with details of ORM to be taken for reconciliation and closure in IDPMS For BOE closure beyond INR 10 lakh or FCY equivalent - Customer request letter with rationale for write-off, such as-</p> <ul style="list-style-type: none"> i. quality or quantity issue ii. commercial disputes iii. contract cancellation iv. goods lost in transit v. destruction of goods vi. volume or cost discount vii. credit note issued by the overseas supplier viii. any other reasons as applicable. <p>For Free-of-Cost Imports / Imports with No Remittance Obligation - Closure of Bill of Entry can be done basis evidence of same on invoice / bill of entry / communication between buyer and seller.</p>
9	High sea sales	The Bank shall satisfy itself regarding the genuineness of the high-sea sale arrangement, the linkage between the original import transaction and the subsequent sale and the transfer of title to the high-sea-sale buyer before clearance of the goods for home consumption. The Bank shall verify consistency among the underlying invoices, transport documents, high-sea-sale agreement, Bill of Entry and payment details. The Bank shall also ensure	<ul style="list-style-type: none"> a) Invoice - Commercial and High Sea sale (as applicable) b) Transport documents c) Bill of entry details in the name of HSS buyer d) High sea sale agreement

		that the respective payment obligations of the original importer and the high-sea-sale buyer are clearly identifiable and appropriately linked with the relevant IDPMS entry.	
10	Classification of Import of Services	The Bank shall assess the nature and purpose of the service, the identity and jurisdiction of the overseas service provider the contractual basis and value of the payment, and consistency of the selected purpose code with the underlying invoice and supporting information.	<ol style="list-style-type: none"> 1. Customer request/application along with applicable purpose code as specified in the Annexure 2. Invoice 3. Underlying contract or supporting information as may be required depending on the nature, structure and risk profile of the service payment 4. Forms 145/146

Note: The documents and information listed in this Annexure are indicative. The Bank may seek documents or information depending on the nature, value, complexity and risk profile of the transaction.
