

Axis Bank Limited - Policy on Export and Import of Goods and Services (AEXIM policy)

The Bank has formulated a revised Export and Import Policy in line with the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026 [FEMA 23(R)], with the objective of aligning internal processes, controls, and delegation framework with revised regulatory requirements.	
Policy Objective	The policy provides a comprehensive framework for handling export and import transactions, including documentation, monitoring, realizations, and regulatory reporting through E/IDPMS.
Regulatory Requirement	RBI, vide its Notification No. FEMA 23(R)/2026-RB dated January 13, 2026 and RBI/2025-26/194 A.P. (DIR Series) Circular No. 20 dated January 16 and Notification No. FEMA 23(R)/(1)/2026-RB dated September 22, 2026, had comprehensively reviewed the regulations and directions governing export and import of goods and services under FEMA, 1999, in consultation with stakeholders, and had notified the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026. These Regulations are intended to promote ease of doing business, particularly for small exporters and importers, and to empower Authorized Dealers (AD Category I banks) to provide quicker, more efficient and risk-based services to their customers. The Regulations come into effect from October 01, 2026, and accordingly, the instructions contained in the revised Master Directions shall also be effective from the said date
Policy Coverage	With the coming into force of the revised directions, the Master Direction – Export of Goods and Services, the Master Direction – Import of Goods and Services, shall stand superseded. Consequent to the same, Axis Bank Limited has issued this internal Master Directions for Exports and Imports (hereinafter referred as Axis Bank Internal Policy on Exports and Imports – AEXIM) in two parts – for Import and Export Transactions separately. Upon their supersession, the Bank’s internal AEXIM guidelines updated from time to time will prevail for both Import and Export transactions of the Bank.
Major Changes in the Policy	Authorised Dealer (AD Bank) driven control, closure accountability, simplified/ self-declaration based transactions (small value), monitoring based control with future exports restricted (advance/LC), single unified regulation for Exports and Imports (goods + services) with common minimum adherences

Disclaimers;

1. The policy as approved by the Bank and uploaded in its website is subject to change without prior notice from time to time as per prevailing Regulatory guidelines and internal policies of the Bank.
2. While the Bank endeavors to provide the updated version of the policy in the website for the information of customers and general public, the same should not be construed as an offer for business, processing of transactions and also the terms and conditions including any transaction thresholds are indicative. For any further clarity, the customers may approach their Relationship Manager/Base branch for any assistance.
3. The Bank follows guidelines as prescribed by The Reserve Bank of India from time to time under FEMA 1999 and other applicable guidelines of RBI including KYC, AML as applicable.
4. The Bank also adheres to the sanctions guidelines of RBI, UN, US -OFAC, EU and UK as applicable as per its sanctions policy updated from time to time.
5. Any processing of transactions will be solely at the discretion of the Bank and subject to adherence of but not limited to the guidelines as mentioned in points number 3 and 4 of the above disclaimers as well as subject to internal approvals and any RBI approvals as applicable.
6. The Bank also has a policy for follow up of Export and Import transactions under the EDPMS and IDPMS mechanism of RBI. Processing of transactions are also subject to the EDPMS and IDPMS follow up policy of the Bank.
7. The Bank may also report doubtful cases as determined by it to Department of Enforcement, Ministry of Finance, Government of India.
8. Published TATs are subject to submission of documents in line with the FEMA and Bank's internal requirements as well as within Bank's transaction processing cut off times.

1. Preamble/ Introduction

The regulatory framework governing the export and import of goods and services in India is anchored in the Foreign Exchange Management Act, 1999 (FEMA, 1999) and the rules, regulations and directions issued thereunder by the Reserve Bank of India (RBI), read with the extant Foreign Trade Policy (FTP) issued by the Government of India.

Transactions relating to import and export of goods and services, including merchanting trade transactions, are classified as current account transactions under FEMA and are subject to regulatory oversight by the RBI. The Foreign Exchange Management (Current Account Transactions) Rules, 2000 continue to remain applicable and are not superseded by the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026

The Reserve Bank had comprehensively reviewed the regulations and directions governing export and import of goods and services under FEMA, 1999, in consultation with stakeholders, and had notified the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026. These Regulations are intended to promote ease of doing business, particularly for small exporters and importers, and to empower Authorised Dealers (AD Category-I banks) to provide quicker, more efficient and risk-based services to their customers. The Regulations come into effect from October 01, 2026, and accordingly, the instructions contained in the revised Master Directions shall also be effective from the said date.

In exercise of the powers conferred under FEMA, 1999 (42 of 1999), the Reserve Bank has directed that Authorised Dealers shall ensure strict adherence to the provisions of FEMA, the rules, regulations and directions issued thereunder, and the prevailing Foreign Trade Policy, while handling transactions relating to export and import of goods and services, including merchanting trade transactions. As per the same, the Authorised Dealers are also required:

- To route all regulatory references to the Reserve Bank through the PRAVAAH portal
- To report any doubtful or suspicious transactions to the Directorate of Enforcement (DoE), in accordance with applicable instructions.

These directions are issued in exercise of the powers conferred under Section 10(4) and Section 11(1) of the Foreign Exchange Management Act, 1999, and other enabling provisions thereof.

As per clause 19 of FEMA 23(R)/2026-RB dated January 13, 2026 we have put in place a separate, comprehensive, well-documented internal policy and SOP, for handling transactions (including the reporting thereof) related to Export and Import of goods and services as well as MTT, in accordance with the Act, and Rules, Regulations and Directions issued thereunder.

With the coming into force of the revised directions, the Master Direction – Export of Goods and Services, the Master Direction – Import of Goods and Services, and shall stand superseded. Consequent to the same, Axis Bank Limited has issued this internal Master Directions for Exports and Imports (hereinafter referred as Axis Bank Internal Policy on Exports and Imports – AEXIM) in two parts – for Import and Export Transactions separately.

Upon their supersession, the Bank's internal AEXIM guidelines updated from time to time will prevail for both Import and Export transactions of the Bank. The following are the objectives of the Internal Master Directions on Export and Import of Goods and Services of Axis Bank (AEXIM):

1. To provide guidance to the Bank for transactions pertaining to Import of Goods and Services and also to align the Bank's internal processes, governance structure, delegation of powers and operational procedures within the FEMA 2026 regulations, while complying with FEMA 1999, applicable rules on current account transactions, The Foreign Trade Policy of DGFT updated from time to time and other allied laws.
2. To ensure consistent, compliant and efficient handling of all import and export transactions across products, segments and delivery channels of the Bank.
3. To provide a clear guidance with regards to Delegation of Powers (DOP), Standard Operating Procedures (SOPs), Turn Around Times (TAT) for the different variant of transactions and also grievance redressal to the customers wherever required.
4. To provide clear pricing guidance for the different types of transactions, which will be updated separately and also updated on the website of the Bank under the approvals and aegis of the Customer Service Committee of the Bank.

The AEXIM policy will have a validity of one year from the date of issuance and will be reviewed annually and any changes to the policy will be approved by the Board or any delegated authority approved by the Board.

Transaction Approval Committee will be constituted for joint approval for any transaction beyond DOP defined or threshold beyond powers delegated to internal approvers.

2. Important definitions

Short Form / Term	Full Form
AD Bank / AD Category-I	Authorised Dealer Bank (Category-I)
AML	Anti-Money Laundering
BOE	Bill of Entry
BOP	Balance of Payments
BPO	Business Process Outsourcing
CA	Chartered Accountant
CAG	Comptroller and Auditor General
CBE	Courier Bill of Entry
CBIC	Central Board of Indirect Taxes and Customs
CRIF	Credit Information Bureau (India) Ltd
CIMS	Centralised Information Management System
DGCA	Directorate General of Civil Aviation
DGFT	Directorate General of Foreign Trade
DoE	Directorate of Enforcement
ECB	External Commercial Borrowing
EDPMS	Export Data Processing and Monitoring System
EDI	Electronic Data Interchange
EDF	Export Declaration Format
EEFC	Exchange Earners Foreign Currency Account
FEMA	Foreign Exchange Management Act
FATF	Financial Action Task Force
FETERS	Foreign Exchange Transactions Electronic Reporting System
FBG	Foreign Bank Guarantee
FCY	Foreign Currency
FTP	Foreign Trade Policy
FTWZ	Free Trade Warehousing Zone
GJEPC	Gems and Jewellery Export Promotion Council
IDPMS	Import Data Processing and Monitoring System
IEC	Import Export Code
IFSC/ A	International Financial Services Centre / Authority
IIBX	India International Bullion Exchange
KYC	Know Your Customer
LC	Letter of Credit
LoU	Letter of Undertaking
LoC	Letter of Comfort
LEA	Law Enforcement Agency
MTT	Merchanting Trade Transaction
NCV	No Commercial Value
NOC	No Objection Certificate
OPGSP	Online Payment Gateway Service Provider
PMLA	Prevention of Money Laundering Act
PRAVAAH	RBI Approval Portal
PSU	Public Sector Undertaking
QJ	Qualified Jeweller
RTGS	Real Time Gross Settlement
SEZ	Special Economic Zone
SWIFT	Society for Worldwide Interbank Financial Telecommunication
TDS	Tax Deducted at Source
TRQ	Tariff Rate Quota
UCPDC	Uniform Customs and Practice for Documentary Credits
UTR	Unique Transaction Reference
Term	Definition

3. References to Regulations

- RBI, vide its Notification No. FEMA 23(R)/2026-RB dated January 13, 2026
- RBI/2025-26/194 A.P. (DIR Series) Circular No. 20 dated January 16, 2026

- Notification No. FEMA 23(R)/(1)/2026-RB dated September 22, 2026

4. Applicability

The policy document is applicable to both Export and Import of goods and services, including merchanting trade transactions for all Business segments.

5. Details of the Policy

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PART-A General

A.1 Introduction and Regulatory Framework

- (i) Export trade is governed by the Directorate General of Foreign Trade (DGFT) under the Ministry of Commerce, Government of India, which issues policies and procedures from time to time.
- (ii) Axis Bank undertakes export transactions in accordance with the prevailing Foreign Trade Policy, applicable Government rules, and directions issued by the Reserve Bank of India (RBI). The Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026 (FEMA 23(R)/2026-RB dated January 13, 2026), effective October 01, 2026, supersede the earlier 2015 regulations.
- (iii) These guidelines shall be read in conjunction with the Foreign Exchange Management (Current Account Transactions) Rules, 2000 and other applicable RBI regulations issued under FEMA.
- (iv) Issuance of guarantees shall be governed by the FEMA (Guarantees) Regulations, 2026.
- (v) As per Para 2.52 and 2.53 of the Foreign Trade Policy (FTP) 2023, all export contracts and invoices, other than those involving member countries of the Asian Clearing Union (ACU), shall be denominated either in foreign currency or Indian Rupees. Export proceeds shall be realized either in any foreign currency or in Indian Rupees. Export contracts involving member countries of the ACU, other than Nepal and Bhutan, shall be denominated in a currency determined by the ACU. However, such transactions may also be denominated and settled in accordance with the directions issued by the Reserve Bank of India from time to time. Export contracts involving Nepal and Bhutan shall be denominated and settled in Indian Rupees, or in accordance with the directions issued by the Reserve Bank of India from time to time. Further, export contracts and invoices under EXIM Bank/Government of India Lines of Credit may also be denominated in Indian Rupees.
- (vi) References to RBI shall be routed through the jurisdictional Foreign Exchange Department office via the PRAVAAH portal with appropriate internal approvals.
- (vii) All transactions shall comply with Axis Bank's internal policies, including EDPMS/IDPMS, sanctions, AML and regulatory reporting frameworks, and shall be subject to necessary screening and approvals.

A.2 Realization, Non-realization and repatriation of proceeds of export of goods / software / services

It is obligatory on the part of the exporter to realise and repatriate the full value of goods / software / services to India within a stipulated period from the date of export, as under:

- (i) Period of realization and repatriation of export proceeds shall be 9 months from the date of export for all exporters including Units in Special Economic Zones (SEZs), Status Holder Exporters, Export Oriented Units (EOUs), Units in Electronic Hardware Technology Parks (EHTPs), Software Technology Parks (STPs) and
- (ii) Bio-Technology Parks (BTPs) until further notice.
- (iii) For goods exported to a warehouse established outside India, the proceeds shall be realised within 9 months from the date of sale of goods.

Time period for realization of exports – Regulation. 5 of Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026.

Quote

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

(a) 9 months from the date of shipment in case of goods (other than goods exported to a warehouse outside India) and from the date of invoice in case of services;

(b) 9 months from the date of sale of goods from the warehouse in case of goods exported to a warehouse outside India;

(c) as per payment terms of the contract, in case of project exports:

Provided that where the export of goods and services is invoiced or/and settled in Indian Rupees, the period for realisation and repatriation of full export value shall be 12 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;

Provided further that the Authorised Dealer may, on request by an exporter citing reasons for the delay, allow extension of time for realisation of export proceeds beyond the specified period, if the Authorised Dealer is satisfied of the reasons cited.

(2) An Authorised Dealer shall put in place systems and processes to monitor and follow up with an exporter to realise export proceeds within the period specified above.

Unquote

Key Regulatory Change:

The timelines for realization of export proceeds as per the above guidelines are as follows:

- 9 months from the date of shipment for goods invoiced other than INR.
- 9 months from the date of invoice for services for transactions invoiced other than INR.
- 9 months from the date of sale from warehouse for goods exported to a warehouse established or hired overseas.
- As per payment terms of the contract, in case of project exports
- 12 months from the date of shipment for export invoices denominated in INR (for both goods and services)

*For the purpose of these regulations, 'services' shall also include 'software' as per Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026.

Documentation:

S. No.	Scenarios	Regulatory Realization Timeline	Documentation at the time of realization/lodgement
1.	Goods Exported- From date of shipment	9 months	1. Documents for export of goods (non-LC) a. Export bill lodgement under collection - Bank Dispatch ➤ Documentation as per extant process (Annexure 1-request letter with FEMA declaration, Invoice cum packing list, transport document, Shipping Bill details etc) b. Export bill lodgement under collection - Direct Dispatch by exporter ➤ Documentation as per extant process (Annexure 1-Customer Request Letter with FEMA declaration, Documents as provided by the exporter and Shipping bill details c. Export bill regularization against advance payment ➤ Documentation as per extant process (Annexure 1-Customer Request Letter with FEMA declaration, Invoice cum Packing list, Transport document, Shipping bill details and IRM details 2. Exports Under LC ➤ Documentation as per extant process (Annexure 1-Customer Request Letter with FEMA declaration and Documents required as per LC terms and conditions

2.	Goods exported to warehouse abroad including Bharat Mart – From date of sale goods from the warehouse	9 months- Normal warehouse including Bharat Mart Warehouse"	Additional requirement over and above export advance / export realisation covered above At lodgement stage -Warehouse agreement/contract At realization stage -Overseas sale invoice or transaction specific contract/agreement
3.	Services – From invoice date	9 months	➤ Service Agreement /PO ➤ Invoice ➤ Customer request letter with FEMA Declaration ➤ 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)
4.	Project exports – As per contractual payment terms	As per Contract	➤ Contract copy OR - Milestone certificates
5.	Exports invoiced and settled in INR 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	12 months (goods, services, warehouse exports)	Documentation as per above applicability

Unrealised exports – Regulation no. 13 of Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026

Quote

If the export proceeds of an exporter remain unrealized for a period beyond one year from the due date of realization or extended period, if any, allowed by an Authorized Dealer, the exporter shall undertake further exports only against receipt of full advance or an irrevocable Letter of Credit.

Please note: The above condition shall apply only to future export transactions between the specific exporter and the specific overseas buyer responsible for the unrealised export proceeds, i.e., the overseas buyer who has defaulted in making payment.

Accordingly, the restriction prescribed under Regulation 13 shall not apply to export transactions undertaken by the exporter with other overseas buyers who are not responsible for the unrealised export proceeds.

Unquote

S. No.	Scenarios	Documentation
1.	Documents are lodged with Axis Bank and customer has submitted request for regularization of outstanding SB within one year from due date.	No change in process and regularization as per extant process to be followed
2.	1. Partial realization received but balance pending beyond 1 year from due date. 2. Shipments returned / goods rejected exporter fails to regularise the SB and remain unrealised for a period beyond one year from the due date of realisation or extended period but balance pending beyond 1 year. Customer to submit request for closure of SB against respective BOE. 3. Any other reason	1. The Bank shall not process any subsequent or future export bills pertaining to the concerned overseas buyer unless such exports are fully backed by advance remittance or an irrevocable Letter of Credit, or the existing unrealised entry is duly extended or closed in EDPMS (applicable for point no. 1). Note: For unrealised exports, the condition that further exports be undertaken only against full advance or irrevocable LC shall apply only to future export transactions between the specific exporter and the specific overseas buyer responsible for the unrealised

S. No.	Scenarios	Documentation
		export proceeds, i.e., the overseas buyer who has defaulted in making payment beyond one year from the due date or approved extended period.
3.	(i) Axis Bank may remit export claims on application, provided the relative export proceeds have already been realised and repatriated to India and the exporter is not on the negative list of bank (ii) In all such cases of remittances, the exporter should be advised to surrender proportionate export incentives, if any, received by him.	Below documents to be submitted while handling such requests: 1) Form A2 cum application 2) Correspondence with the overseas buyer 3) Customer declaration about surrender of export incentive (included in application) 4) NOC, if the export transaction is handled by a third bank

This would be applicable in case the export bill realisation period is not extended either by exporter/bank.

A.3 Manner of receipt and payment

(i) The amount representing the full export value of the goods exported shall be received through an AD Bank in the manner specified in the Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2023 notified vide Notification No. FEMA 14(R)/2023-RB dated December 21, 2023.

(ii) When payment for goods sold to overseas buyers during their visits is received through credit card, EDF (duplicate) should be released by the Axis Bank only on receipt of funds in their Nostro account or if the Axis Bank concerned is not the Credit Card servicing bank, on production of a certificate by the exporter from the Credit Card servicing bank in India to the effect that it has received the equivalent amount in foreign exchange, Axis Bank may also receive payment for exports made out of India by debit to the credit card of an importer where the reimbursement from the card issuing bank/ organization will be received in foreign exchange.

(iii) Processing of export related receipts through Online Payment Gateways/Payment Aggregator (PA-Cross-Border)

As per RBI's framework on PA-CBRBI/DPSS/2025-26/141 CO.DPSS.POLC.No.S-633/02-14-008/2025-26 dated Sep'2025), Bank shall permit facility for receipt of payments for exports of goods and software of value not exceeding INR 25,00,000/- (INR 25 lakh) per transaction, by entering standing arrangements with PA-CBs, subject to the following conditions:

(a) Balances held in the PA-CB Inward Collection Account shall be credited to the respective exporter's account immediately on receipt of funds from overseas buyers and, in any case, not later than two days from the date of credit to the collection account

(b) The AD Category-I Bank shall:

- Obtain from the PA-CB a copy of the invoice and shipping document (airway bill / bill of lading / equivalent) containing name and address of the overseas buyer and Indian exporter, as evidence of export;
- Ensure that the transaction is reported appropriately in:
 - EDPMS (where applicable), and
 - R-Return under the relevant export receipt head (foreign currency inflow).

(c) The following credits shall be permitted:

- Receipts from overseas buyers towards export of goods and software by Indian exporters, routed electronically through card networks, net banking, or other authorised payment modes facilitated by PA-CB;
- Reversal of refunds/chargebacks received from Indian exporters (where earlier paid out to buyers);
- Any other credits as specifically permitted under RBI guidelines from time to time.

(d) The following debits shall be permitted:

- Remittance/transfer to the Indian exporter's account in INR;

- Refunds to overseas buyers in permitted foreign currency, in respect of failed/cancelled export transactions;
- Chargebacks to overseas buyers/card networks, as applicable;
- Payment of commission/fees to the PA-CB (as per contractual arrangement) and recovery of bank charges.

(iv) Settlement System under ACU Mechanism

a) In order to facilitate transactions / settlements, effective March 06, 2020, participants in the Asian Clearing Union will have the option to settle their transactions either in ACU Dollar or in ACU Euro or in ACU Japanese Yen. Accordingly, the Asian Monetary Unit (AMU) shall be denominated as 'ACU Dollar', 'ACU Euro' and 'ACU Yen' which shall be equivalent in value to one US Dollar, one Euro and one Japanese Yen, respectively.

b) Further, Axis Bank open and maintain ACU Dollar, ACU Euro and ACU Japanese Yen accounts with their correspondent banks in other participating countries. All eligible payments are settled by the concerned banks through these accounts.

c) Relaxation from ACU Mechanism- Indo-Myanmar Trade - Trade transactions with Myanmar can be settled in any freely convertible currency in addition to the ACU mechanism.

d) All eligible current account transactions, including trade transactions with Iran, shall be settled in any permitted currency outside the ACU mechanism, as per RBI directions, until further notice.

e) All eligible current account transactions including trade transactions with Sri Lanka may be settled in any permitted currency outside the ACU mechanism with effect from July 08, 2022, until further notice.

f) In terms of ACU Board decisions, Axis Bank may utilise Nostro accounts (ACU Dollar, ACU Euro and ACU Japanese Yen) maintained with correspondent banks in ACU member countries for settlement of export and import transactions (goods and services), subject to compliance with applicable guidelines.

g) Notwithstanding the above, operations in ACU Euro shall remain suspended, as per existing regulatory instructions, until further notification.

h) Pursuant to the MoU between RBI and the Maldives Monetary Authority and in terms of A.P. (DIR) Circular No. 22 dated March 17, 2025, Axis Bank may permit settlement of bilateral trade transactions with Maldives in INR and/or MVR, subject to compliance with applicable regulatory requirements and internal guidelines.

(v) International Trade Settlement in Indian Rupees (INR)

To promote growth in cross-border trade and support increasing global interest in conducting trade in Indian Rupees (INR), an additional framework for invoicing, payment and settlement of exports and imports in INR has been operationalized effective RBI/2025-2026/71 A.P. (DIR Series) Circular No.08.

Framework:

Axis Bank may facilitate export/import transactions in INR through the RBI-permitted Rupee Trade Settlement Mechanism.

- Exports and imports under this mechanism shall be invoiced, paid, and settled in INR only.
- The exchange rate between INR and the partner country's currency shall be market-determined.
- Import payments shall be made by Indian importers in INR and credited to the Special Rupee Vostro Account of the overseas correspondent bank.
- Export proceeds shall be received by Indian exporters in INR from the designated Special Rupee Vostro Account.
- All transactions shall comply with existing documentation, reporting, and FEMA requirements.
- Letters of Credit and other trade documents may be established on a bilateral basis between the participating banks, subject to UCPDC and applicable Incoterms. Further, messaging and communication protocols shall be mutually agreed, ensuring secure, efficient and authenticated exchange of information
- Advance against exports in INR may be allowed, subject to verification with the correspondent bank and availability of funds. Axis Bank shall ensure that available balances in Special INR Vostro Account are first to be utilized for settlement of bills pending for export realization. Subsequent balances if any, are to be utilized for Advance Payments after obtaining underlying document. Field 72 should capture clear instructions, Bill Reference number and purpose description.

- Set-off of export receivables against import payables with the same overseas counterparty is permitted as per FEMA guidelines. Axis Bank shall ensure appropriate due diligence and gross reporting of transactions in EDPMS/IDPMS, as applicable
- Bank Guarantees for trades under this mechanism may be issued in line with FEMA and Axis Bank's Guarantee policy.
- Surplus INR balances in Special Rupee Vostro Accounts may be used for permissible trade, investment, and other FEMA-approved transactions.
- Axis Bank may open or close Special Rupee Vostro Accounts for its overseas branches or correspondent banks without prior approval from RBI, in line with approved
 - Ensuring that the overseas correspondent bank is not located in a FATF high-risk or non-cooperative jurisdiction
 - Adherence to all applicable KYC/AML/CFT norms
 - Enhanced due diligence shall be applied before onboarding any foreign correspondent bank under this mechanism.

Permissible Debits in INR Vostro Accounts:

- Receipts from Exports of goods and services.
- Receipt of Advance Payment against exports.
- Permissible capital and current account transactions in accordance with mutual agreement.
- Payments for projects and investments.
- Investment in Government Treasury Bills, Government securities, etc. in terms of extant guidelines and prescribed limits, subject to FEMA and similar statutory provision.

Permissible Credits in Special INR Vostro Accounts:

- Funding in Special Vostro accounts by purchase of INR by the Correspondent Bank from Axis Bank.
- Payment against the invoices for the supply of goods or services from the overseas seller /supplier.

A.4 Repayment of State credits – Regulation no. 14 of Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026

For the implementation of the provisions of the Inter banking arrangement, Axis Bank shall adhere to instructions and directions issued by the Reserve Bank from time to time on export of goods and services against repayment of State credits granted by the erstwhile Soviet Union. Bank will obtain the underlying contract executed under the applicable government-to-government credit protocol; the EDF; and any specific allocation letter, permission or certificate issued by the ministry/agency administering the State Credit arrangement, as called for under RBI's specific instructions for that scheme

Historically, State Credit repayment arrangements of this kind were operated through rupee-denominated debt-repayment/escrow mechanisms; the specific mode of receipt applicable to a given transaction has to be followed as directed by RBI for that arrangement and will not be fall under the standard FCY/INR options.

A.5 Co-acceptance Discounting

- The Bank may undertake discounting of co-accepted / avalized export bills under open account transactions, wherein an overseas bank irrevocably undertakes to honour payment on maturity, thereby substituting importer risk with bank risk.
- Discounting shall be permitted only for genuine trade-related usance bills routed through collection and shall be subject to receipt of authenticated SWIFT co-acceptance (MT412/MT499) from the buyer's bank confirming unconditional payment obligation and authorization of signatories.
- Such financing shall be extended only to constituent borrowers, with exposure governed by approved bank/country limits, positive legal opinion on enforceability, and RBI guidelines on co-acceptance.
- Transactions shall be undertaken with recourse to the co-accepting bank, with strict prohibition on accommodation/group transactions and appropriate safeguards for dual financing. In case of default, recovery shall be pursued from the co-accepting bank, including legal recourse and restriction of further exposure.

A.6 Export Factoring (With and Without / Limited Recourse)

In line with RBI guidelines under FEMA 1999, which permit Authorized Dealer (AD) banks to formulate their own policy framework for Export Factoring, the Bank offers Export Factoring facilities with and without (limited) recourse through the FCI (Factors Chain International) framework as well as bilateral arrangements with approved Import Factors.

This arrangement enables wider global coverage, effective credit risk mitigation, and seamless cross-border receivables management, while supporting exporters' working capital requirements.

The policy lays down a comprehensive framework governing Export Factoring transactions, covering:

- Eligibility criteria for exporters, buyers, and transactions
- Risk assessment and credit approval, including buyer credit approval by Import Factors
- Documentation standards, including factoring agreements and assignment of receivables
- Regulatory compliance with FEMA provisions, RBI directions, and applicable prudential norms
- Ongoing monitoring and control mechanisms

The policy further outlines exposure limits and risk mitigation measures, including reliance on approved Import Factors under both FCI and bilateral arrangements, and defines operational procedures for assignment of receivables and realisation of export proceeds within the scope of the factoring agreement.

Additionally, the policy incorporates specific guidelines for Export Factoring transactions undertaken under the FCI framework, including:

- Adherence to FCI General Rules for International Factoring (GRIF)
- Clearly defined roles and responsibilities of Export Factors and Import Factors
- An established buyer credit approval mechanism, recovery process, and settlement framework

This ensures consistency, regulatory adherence, and effective risk management in the Bank's Export Factoring operations.

A.7 Project Exports and Service Exports

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'.

It includes:

1. Services, software, pure supply contracts
2. Generally long tenor and high value
3. Milestone based/ deferred payment
4. Civil Construction Contractors on the approved list of Ministry of Commerce and Industry

Project Export Lifecycle

1. Pre-Award
 - Bid participation
 - Bid Bond issuance
2. Contract Award
 - LOI / contract receipt
 - PEM approval and sanction
3. Project Set-Up
 - Open FCY account / Project Office
 - Initial remittance and finance setup
4. Execution Phase
 - BGs: Performance / Advance / Retention
 - LC / Export finance
 - Remittances (supplier, salary, commission)
 - Procurement (local / third country)
 - GR / EDF waivers, inter-project transfers
5. Modification
 - Extension / value increase
 - Limit enhancement

6. Surplus / Special Transactions
 - Investments abroad
 - Overseas borrowing, NOCs
7. Closure
 - Realization of proceeds
 - Closure of accounts, BGs, project office
8. Final Winding Up
 - Regulatory reporting closure
 - PEM closed after full reconciliation

Axis Bank will offer post award approval to customers based on some key criteria

- Management depth and experience
- Past experience, if any in conducting such project abroad
- Past record of such projects (whether completed on time, without any cost overruns)
- Technical capability to execute such projects
- Bank's relationship with customer (vintage/facilities granted/ utilization)
- Customers with good financial standing and credit worthiness

S. No.	Scenario	Documents Required
1.	Issuance of Project Export Approval (PEM) , where an exporter is awarded a contract falling under Project Exports, post-award PEM approval shall be obtained prior to undertaking any project-related activity.	1. Indicative Customer request letter 2. Copy of awarded contract / LOA with project details Note: • Within 30 days of entering the contract, customer is expected to seek PEM approval from bank • No remittances, guarantees, advances, or project-related transactions shall be processed prior to issuance of PEM approval
2.	Amendment to issued PEM Approval: change in project scope, value, execution period, financing structure, or any other material term after issuance of Project Export approval,	1. Customer request for amendment 2. Revised contract / addendum / revised project details
3.	Opening and Operation of Foreign Currency (FCY) Account Abroad: In cases where the exporter is required to open a foreign currency bank account abroad for execution of the project (e.g., receipt of project payments, local expenses), such account shall be permitted only under valid Project Export approval.	1. Request as part of Project Export issuance or amendment 2. Periodic reporting (Half yearly)– Annexure AB / DPX-2 Note: (i) Account usage restricted strictly to approved project activities. (ii) Account to be closed post completion unless used for other active projects.
4.	Opening of FCY Account in India (Project-Specific): the project structure requires opening of a foreign currency account within India for routing project receipts/payments,	1. PEM approval reference 2. Project cash-flow / transaction justification Note: Credits/debits to align strictly with project cash-flow milestones.
5.	Handling of Third-Country Imports under Project Exports: In certain EPC / turnkey contracts, exporters may import goods or services from third countries for execution of the overseas project.	1. Contract clause covering third-country sourcing or PEM approval letter allowing third country import (LCs/Remittances) along with specific % upto which third country purchases/imports are allowed 2. Import invoices and remittance justification Note: (i) Permitted only if explicitly covered in project contract and subsequent PEM approval.

S. No.	Scenario	Documents Required
		(ii) Remittances to be linked to approved project cash flows. (iii) No unrelated imports to be routed through project mechanisms. (iv) To be excluded from BEF/IDPMS reporting subject to customer providing evidences of the goods being transported to the project site
6.	Monitoring of Progress and Ongoing Compliance: All approved projects are subject to continuous monitoring during execution.	1. Half yearly submission to bank of Annexure AB and DPX-2 (June and December). 2. Non-submission beyond stipulated timelines shall result in: (i) Suspension of new project issuances (ii) Suspension of amendments and remittances
7.	Completion and Closure of Project Export: Upon completion of the project, exporter shall initiate formal project closure.	1. Submission of final DPX-2 to bank indicating completion. 2. Submission of closure documents (completion certificate, repatriation statements, etc.).

PART-B EDF Procedure

B.1 Declaration of exports – Regulation no. 3 of Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026

(1) An exporter of goods shall furnish to the specified authority, a declaration in the Export Declaration Form (EDF) specifying the amount representing the full export value of goods, at the time of export:

Provided that the EDF will be deemed to be submitted as part of shipping bill for goods exported through Electronic Data Interchange (EDI) port; Customer to provide Shipping Bill no, date and Port code

Provided further that a traveller moving personal effects (which are either accompanied or unaccompanied) from India shall not be treated as exporter for the purpose of these Regulations.

(2) An exporter of services shall furnish to the specified authority, a declaration in EDF specifying the amount representing the full export value of services, within 30 days from the end of month in which invoice for services has been raised, provided that:

(a) the exporter of services who has exported services to one or more recipients in a month, may submit a single EDF for all such exports.

(b) the exporter of services other than software, may submit an EDF on or before the date of receipt of payment.

(c) the Axis Bank may, on a request from the exporter citing reasons for delay, extend the period for submission of the EDF after satisfying itself about the reasonableness of the request.

(3) In the case of a non-EDI port for export of goods; or where the specified authority for export of services is other than an Authorised Dealer, the duly authenticated EDF, shall be forwarded by below specified authority to the respective Authorised Dealer.

Specified Authority:

(i) Commissioner of Customs in Domestic Tariff Area (DTA) and Development Commissioner of Special Economic Zone (SEZ) in SEZ, for goods;

Note: EDF may be signed by any authorized company official and affixed with the company stamp. The signed EDF can be submitted either in physical form or as a scanned copy. Additionally, a digitally signed EDF may also be accepted, provided the bank has adequate systems in place to verify the digital signature in line with its Mode of Operation (MOP).

S. No.	Scenario	Documentation/Process
1.	Declaration of Exports of Goods (EDI ports)	Customer to provide Shipping Bill /EDF no, date and Port code along with below Basic Docs for lodgement ➤ Customer request letter as per Annexure 1 ➤ Transport Document ➤ Commercial Invoice ➤ Packing List ➤ Certificate of Origin ➤ Insurance if applicable
2.	Declaration of Exports of Services (including software)	1. Customer to submit the below docs for lodgement of export bills pertaining to services/software ➤ Customer request letter as per Annexure 1 ➤ EDF Form as applicable including single EDF for multiple services within 30 days from end of month of service or on or before the date of receipt of payment in case of services other than software (Single EDF with file upload option for invoice wise details will be available in EDPMS covering multiple service recipients and multiple invoices for a calendar month) ➤ Copy of service invoice/ PO or ➤ Underlying contract / service agreement. 2. Customer request letter for delayed reason in submission of EDF and extended timelines for submission. Grace Period of additional 30 days allowed with Bonafide reason such as system outage, customs delay, invoice correction, force majeure etc) from customer.
3.	1. Declaration of Goods under Non-EDI port 2. Declaration of Services to the Specified authority other than AD ((i) <i>Commissioner of Customs in Domestic Tariff Area (DTA) and Development Commissioner of Special Economic Zone (SEZ) in SEZ, for goods;</i> (ii) <i>Development Commissioner of Special Economic Zone (SEZ) in SEZ, for services other than software</i> (iii) <i>Software Technology Parks of India (STPI) in DTA, and Development Commissioner of Special Economic Zone (SEZ) in SEZ, for software</i> Category bank 3. Role of Authorised Dealer: To enter details of EDF (of its customers) as received from non-EDI (Electronic Data Interchange) port in EDPMS within five working days of receipt of EDF	1. Customer to provide (applicable for goods) Basic docs ➤ Shipping Bill/EDF copy duly signed and stamped ➤ Customer request letter (Annexure 1) ➤ Transport Document ➤ Commercial Invoice ➤ Packing List ➤ Certificate of Origin ➤ Insurance if applicable 2. Customer to provide (applicable for services where AD bank is not the specified authority) ➤ Copy of Service Invoice/PO or ➤ Underlying contract/Service Agreement ➤ SEZ/STPI duly authenticated EDF to be submitted by customer ➤ Customer request letter

B.2 Export of goods through Customs ports (Non EDI port)

(i) Customs shall certify the value declared and give running serial number on the two copies of Export Declaration Form (EDF), submitted by exporter at Non- Electronic Data Interchange (EDI) port.

(ii) Upon receipt of certified EDF copy from customs/exporter, Axis Bank as AD shall enter details of EDF (of its customers) as received from non-EDI (Electronic Data Interchange) port in EDPMS within five working days of receipt of EDF.

(iii) Within 21 days from the date of export, exporter shall lodge the duplicate copy together with relative shipping documents and an extra copy of the invoice if Axis Bank is named as AD in the EDF.

(iv) After the documents have been negotiated / sent for collection, Axis Bank shall report the transaction through Export Data Processing and Monitoring System (EDPMS) to the Reserve Bank and retain the documents at their end.

(v) Where duplicate copy of EDF is misplaced or lost, Bank may accept copy of duplicate EDF duly certified by Customs.

B.3 Export of goods done through EDI ports

(i) An exporter of goods shall furnish to the specified authority (Commissioner of Customs or the SEZ, if the export is made through it), a declaration in the Export Declaration Form (EDF) specifying the amount representing the full export value of goods, at the time of export.

ii) EDF will be deemed to be submitted as part of shipping bill for goods exported through Electronic Data Interchange (EDI) port including courier shipping bill (CSB); Customer to provide Shipping Bill no, date and Port code to Axis Bank within 21 days from the date of export for collection/negotiation of shipping documents.

Note: - In cases where ECGC/private insurance companies regulated by Insurance Regulatory and Development Authority (IRDA) initially settles the claims of exporters and the export proceeds are subsequently received from the buyer/buyer's country, the share of exporters in the amount so received is disbursed through the AD which had handled the shipping documents post receipt of certificate issued by ECGC/ private insurance companies. The certificate will indicate the EDF no., name of the exporter, name of the AD, date of negotiation, bill number, invoice value and the amount actually received by ECGC/private insurance company.

B.4 Exports to neighbouring countries by road, rail or river

Exports to neighbouring countries effected through road, rail or river routes shall be treated as regular exports under FEMA Regulations. Realization timelines, declaration requirements, and EDPMS reporting shall apply uniformly, irrespective of the mode of transport

1. Exporter must file Shipping Bill at:
 - Land Customs Station (LCS), or
 - Designated rail / river customs post
2. Export Declaration Form (EDF) deemed to be filed through Shipping Bill where EDI is enabled.
3. For non-EDI locations:
 - Physical EDF to be submitted to Customs / Specified Authority.
 - Certified copy to be forwarded to the AD bank for further EDPMS reporting.

B.5 Export through Mid-sea trans-shipment of catch by deep sea fishing vessels

(i) In cases of export through mid-sea trans-shipment of catch by Indian deep-sea fishing vessels, the exporter may submit the Export Declaration Form (EDF), duly signed by the Master of the vessel, in lieu of Customs certification, supported by a certificate from an international cargo surveyor to the Bank.

(ii) Upon receipt of certified EDF copy from customs/exporter, Bank shall enter details of EDF (of its customers) as received from non-EDI (Electronic Data Interchange) port in EDPMS within five working days of receipt of EDF.

(iii) At the time of shipment of goods, exporters shall submit the duplicate copy of the EDF to Customs. After examining the goods, Customs shall certify the quantity in the form and return it to the exporter for submission to Bank for negotiation or collection of export bills.

(iv) Within 21 days from the date of export, exporter shall lodge the duplicate copy together with relative shipping documents and an extra copy of the invoice to the Axis Bank if named as AD named in the EDF.

(v) After the documents have been negotiated / sent for collection, the Bank shall report the transaction through Export Data Processing and Monitoring System (EDPMS) to the Reserve Bank and retain the documents at their end.

(vi) The period for realisation and repatriation of export proceeds shall be reckoned from the date of transfer of catch at sea or the date of invoice, whichever is earlier.

(vii) The EDF shall indicate the number and date of the Letter of Permit issued by the Ministry of Agriculture and shall be processed, reported in EDPMS, and retained by the Authorised Dealer in the same manner as applicable to other exports.

B.6 Export of goods on lease, hire, etc

(i) Exports of goods under lease, hire, charter, or similar arrangements shall be treated as exports in accordance with FEMA regulations. Such transactions must be appropriately declared in the Shipping Bill and EDF, with the export value determined in line with the underlying contractual terms.

(ii) Upon receipt of the certified copy of the EDF from the exporter or Customs, Axis Bank shall capture the details of EDFs pertaining to its customers—received from non-EDI (Electronic Data Interchange) ports—in EDPMS within five (5) working days from the date of receipt.

(iii) At the time of shipment, the exporter shall submit the duplicate copy of the EDF to Customs. Post examination of the goods, Customs shall certify the quantity therein and return the duly endorsed EDF to the exporter for onward submission to the Bank.

(iv) The exporter shall submit the duplicate EDF, along with the relevant shipping documents and an additional copy of the invoice, to Axis Bank (where it is the designated Authorised Dealer in the EDF) within 21 days from the date of export.

(v) For regularisation of EDF, the exporter shall submit the following documents:

- Customer request letter
- Lease/hire agreement governing the terms of export and return of machinery/equipment
- Relevant Bill of Entry (BOE) evidencing re-import, with cross-reference to the corresponding EDF(s) and invoice(s)

(vi) In respect of services rendered under lease or hire arrangements, upon receipt of payment, the applicable process prescribed under Point B.1 shall be followed.

(vii) Realization period for export of goods on lease, hire shall be 9 months from date of shipment.

B.7 Export of goods through Post

Postal Authorities shall allow export of goods by post only if the original copy of the EDF has been countersigned by the Bank. Therefore, EDF which involve sending goods by post should be first presented by the exporter to the Bank for countersignature. The procedure is as under:

(i) Bank shall countersign EDF after ensuring that the parcel has been addressed to their branch or correspondent bank in the country of import and return the original copy to the exporter, who shall then submit the EDF to the post office with the parcel. Further, bank shall capture the details of EDFs pertaining to its customers—received from non-EDI (Electronic Data Interchange) ports—in EDPMS within five (5) working days from the date of receipt.

(ii) The duplicate copy of EDF shall be retained by the Bank to whom the exporter shall submit relevant documents together with an extra copy of invoice for negotiation/collection, within the prescribed period of 21 days.

(iii) Axis Bank shall instruct the concerned overseas branch or correspondent bank acting as collecting bank to deliver the parcel to consignee against payment or acceptance of relative bill.

(iv) Bank may, however, countersign EDF covering parcels addressed direct to the consignees, provided:

1. An irrevocable letter of credit for the full value of export has been opened in favor of the exporter and has been advised through the Bank. Or
2. The full value of the shipment has been received in advance by the exporter through the Bank. Or
3. The Bank is satisfied, on the basis of the standing and track record of the exporter and the arrangements made for realization of the export proceeds.

In such cases, particulars of advance payment/letter of credit / Bank's certification of standing, etc., of the exporter should be furnished on the form under proper authentication.

(v) Any alteration in the name and address of consignee on the EDF form should also be authenticated by Bank under its stamp and signature.

B.8 Citing of specific identification numbers

In all applications / correspondence with the Reserve Bank, the specific identification number as available on the EDF should invariably be cited wherever applicable or required.

B.9 Third party export proceeds/ Third Party receipts for Exports – Regulation no. 8 of Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026

Realization of export proceeds in respect of export of goods / software from third party should be duly declared by the exporter in the appropriate declaration form i.e., in case of exports in Shipping Bill, except for the exceptional cases where customer may not be able to do so -such as exports to countries with difficult foreign exchange positions, exports of perishable goods in industries such as marine- seafood, agricultural goods, etc, which may be exported and final payers identified basis sales.

The Bank may permit receipt of export proceeds from third parties (other than the exporter) provided it is satisfied with the bona fides of the transaction and that the payment is received from a Financial Action Task Force (FATF) compliant country through normal banking channels only, subject to compliance with the following conditions. For payment receipt from FATF grey list countries internal bank approval is required in addition to adhering guidelines of transaction with FATF countries. The approval shall be given after satisfying basis the rationale provided by customer for payment receipt from FATF grey list countries and there is no TBML concerns.

S. No.	Scenarios	Documentation
1.	Third party details captured in Shipping Bill	No additional docs since third party information is already available on SB
2.	Third Party details captured in Shipping Bill, however mismatch in third party/remitter name	Customer declaration with reason for third party payment
3.	Third party name is not captured in Shipping Bill, however covered in Invoice	Customer declaration with reason for third party payment
4.	Third party name is not captured both in Shipping Bill and Invoice	Any document evidencing relationship between the buyer and remitter substantiating the reason for third party payment declared by the customer to be obtained. While it may not be possible to prescribe the exact documents to be obtained, it could be evidence of common ownership, invoice raised by buyer on remitter, settlement letter, agreement between buyer and remitter, tripartite agreement etc.

B.10 Random verification

In all the above procedures, Axis Bank would ensure, by random check of the relevant duplicate forms by their internal / concurrent auditors, that non-realization or short realization allowed, if any, is within the powers delegated for Adjustment (under, over and non-realisation) of export proceeds to be realised and repatriated

B.11 Short Shipments and Shut out Shipments

(i) When part of a shipment covered by an EDF already filed with Customs is short-shipped, the exporter must give notice of short-shipment to the Customs in the form and manner prescribed. In case of delay in obtaining certified short-shipment notice from the Customs, the exporter should give an undertaking to the bank to the effect that he has filed the short-shipment notice with the Customs and that he will furnish it as soon as it is obtained. Further, upon receipt of such notice bank shall close the SB in EDPMS to the respective value.

(ii) Where a shipment has been entirely shut out and there is delay in making arrangements to re-ship, the exporter will give notice in duplicate to the Customs in the form and manner prescribed, attaching thereto the unused duplicate copy of EDF and the shipping bill. The Customs will verify that the shipment was actually shut out, certify the copy of the notice as correct and forward it to the bank together with unused duplicate copy of the EDF. In this case, the original EDF received earlier from Customs will be cancelled. If the shipment is made subsequently, a fresh set of EDF should be completed. Further, upon receipt of such notice bank shall close the earlier SB in EDPMS.

B.12 Consolidation of air cargo/sea cargo

(i) Consolidation of air cargo

a) Where air cargo is shipped under consolidation, the airline company's Master Airway Bill will be issued to the Consolidating Cargo Agent. The Cargo agent in turn will issue his own House Airway Bills (HAWBs) to individual shippers.

b) Axis Bank may handle the document even if client submit HAWBs if the same is in compliance with relevant provision or if the document handled by the bank on approval basis.

ii) Consolidation of sea cargo (Purchase/ discounting/collection/negotiation of export documents basis FCR)

S. No.	Scenario	Eligibility / Pre-conditions	Documents Required
1.	LC-backed export where LC explicitly allows FCR in lieu of B/L	Export transaction is under Letter of Credit (LC). The LC expressly provides for negotiation of FCR (issued by Companies of repute agencies/ IATA-approved agent) in lieu of Bill of Lading.	(1) FCR (IATA-approved/company repute agency) expressly permitted under LC. (2) Underlying LC
2.	Non-LC export with FCR / Non negotiable document	Sale contract with overseas buyer explicitly provides acceptance of FCR (issued by reputed Shipping Company / IATA-approved agent) in lieu of B/L.	Sanction to allow transaction handling against FCR / Non-negotiable documents submitted by the customer irrespective of sales contract is in place

PART-C Obligations as Authorised Dealer:

C.1 Exports without Foreign Exchange (FOC / Samples / Replacement goods, etc.)

In cases where exports do not involve any foreign exchange realization, the exporter is required to declare the shipment as FOC / Free Sample, as applicable, at the time of filing EDF/Shipping bill with specified authority. All such exports shall be reported under EDF as per extant guidelines. (Exporter should file EDF with NIL value for cases where no foreign exchange is involved.)

Axis Bank may consider requests for regularisation of pending SB based on a customer declaration.

Such free of cost supplies shall not be entitled to Duty Drawback or any other export incentive under any export promotion scheme.

However, where Customer insists for letter/approval from Axis Bank for exporting the goods without foreign exchange, the erstwhile process for EDF waiver shall continue, i.e.

- Customer is required to submit a request letter
- Invoice mentioning that goods are trade/free samples or publicity material free of payment or replacement goods being sent free of charge etc.
- Bill of entry for re-import of goods exported earlier against which replacement goods are being sent

to the branch for issuance of a letter addressed to Customs and basis on the approval letter customs to file the SB in EDPMS.

C.2 Receipt of advance against exports and Interest on advance payment – Regulation no. 10 of Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026

(1) An exporter shall, in case of advance receipt for export, route the advance amount, and realization of export proceeds, if any, through the same Authorized Dealer. However, an exporter may route the transactions through any other Authorized Dealer provided the exporter has intimated the change to both the Authorized Dealers.

(2) An exporter, or an importer, as the case may be, shall ensure that interest payable, if any, on advance payment received for export, or on delayed payment for imports, 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.

S. No.	Scenarios	Documentation
1.	Advance remittance received with AD Bank (Axis Bank)	Remittance shall be credited basis transaction specific Disposal Instruction (DI) or One-time Standing Instruction (SI). Customer to submit underlying documents for all remittances exceeding defined thresholds
2.	1. Documents submission for knocking off SB against advance remittance received in Axis Bank 2. Interest payable on export advances if any	1. No change in process and regularization as per extant process to be followed 2. Exporter shall ensure that interest payable, if any, on advance payment received for export 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.
3.	Exporter submits documents to other banks, whereas advance is received in Axis Bank	The exporter to submit the relevant undertaking as per bank standard format. Indicative format specifying the reasons and details of transactions routed through the other AD while requesting for issuance of EFIRC.
4.	Long-term export advance means any advance received from an overseas buyer where the period between receipt of advance and completion of export / rendering of services exceeds 3 years, based on the contract or project timeline.	1. Disposal Instruction 2. Proforma Invoice if available 3. Sales Contract

C.3 Exports for Trade Fair/Exhibitions abroad

Firms / Companies and other organizations participating in Trade Fair/Exhibition abroad can take/export goods for exhibition and sale outside India without the prior approval of the Reserve Bank. Unsold exhibit items may be sold outside the exhibition/trade fair in the same country or in a third country. Such sales at discounted value are also permissible. It would also be permissible to 'gift' unsold goods as per exporter, per exhibition/trade fair.

(i) The exporter is required to file EDF/Shipping bill with specified authority. All such exports shall be reported under EDF as per extant guidelines. (Exporter should file EDF with NIL value for cases where no foreign exchange is involved.)

(ii) Axis Bank may handle the request for regularization of such pending SBs of export items for display or display-cum-sale in trade fairs/exhibitions outside India subject to the following:

(a) The exporter shall produce relative Bill of Entry of re-import into India of the unsold items within 30 days of reimport of the exported item from India or sale proceeds for sold goods.

(b) The exporter shall report to Axis Bank the method of disposal of all items exported, as well as the repatriation of proceeds to India in accordance with FEMA regulation

However, where Customer insists for letter/approval from Axis Bank for exporting the goods without foreign exchange, the erstwhile process for EDF approval shall continue, i.e. the customer is required to submit a request letter and invoice

to the branch for issuance of a letter addressed to Customs and basis on the approval letter customs to file the SB in EDPMS.

C.4 Export of goods for re-imports (Repair / Testing / Calibration, etc.)

(i) Axis Bank may consider the request for regularization of pending SBs from exporters in cases where goods are being exported for re-import after repairs / maintenance / testing / calibration, etc., subject to the condition that the exporter shall produce relative Bill of Entry as per RBI import guideline of re-import of the exported item from India.

(ii) Where the goods being exported for testing are destroyed during testing, Axis Bank may obtain a certificate issued by the testing agency/overseas buyer that the goods have been destroyed during testing, in lieu of Bill of Entry for import.

(iii) The exporter is required to file EDF/Shipping bill with specified authority. All such exports shall be reported under EDF as per extant guidelines. (Exporter should file EDF with NIL value for cases where no foreign exchange is involved.).

Bank may consider requests for regularisation of pending SB based on a customer declaration.

However, where Customer insists for letter/approval from Axis Bank for exporting the goods without foreign exchange, the erstwhile process for EDF approval shall continue, i.e.

1. Customer is required to submit a request letter
2. Invoice to the branch for issuance of a letter addressed to Customs and basis on the approval letter customs to file the SB in EDPMS.
3. If goods being exported for testing are destroyed during testing, a certificate issued by the testing agency or overseas buyer the goods have been destroyed during testing, in lieu of Bill of Entry for import.

C.5 Delay in submission of shipping documents by exporters

In cases where exporters present documents beyond the prescribed timelines i.e., after 21 days from the date of export of goods or 30 days from the date of invoice in respect of services but prior to receipt of payment, Axis Bank may consider such delayed presentation requests.

C.6 Return of documents to exporters

Duplicate copies of EDF and related shipping documents, once submitted to Axis Bank for negotiation, collection or any other processing, shall not be returned to the exporter under normal circumstances.

Return of such documents may be permitted only in exceptional cases for the purpose of rectification of discrepancies and subsequent resubmission.

C.7 Landlocked countries

Axis Bank may deliver one negotiable copy of the Bill of Lading to the Master of the carrying vessel or trade representative for exports to certain landlocked countries if the shipment is covered by an irrevocable letter of credit and the documents conform strictly to the terms of the Letter of Credit which, inter alia, provides for such delivery.

C.8 Direct dispatch of documents by the exporter

Exporters may approach Axis Bank for lodgement of export documents that have been directly dispatched by them to the overseas importer. The Bank may permit lodgement of such documents pending realization of export proceeds, irrespective of the amount for both status and non-status holder exporter provided

- a) The Shipping Bill is available in EDPMS under pending AD Ack.
- b) Shipping bill under other bank AD to be transferred to Axis Bank AD before lodgement.
- c) Partial realization would be allowed for both Status Holder and Non Status Holder.

C.9 Part Drawings/ Undrawn Balances

(i) In certain lines of export trade, it is the practice to leave a small part of the invoice value undrawn for payment after adjustment due to differences in weight, quality, etc., to be ascertained after arrival and inspection, weighment or analysis of the goods. In such cases, Axis Bank may negotiate the bills, provided:

a) The amount of undrawn balance is considered normal in the particular line of export trade, subject to a maximum of 10 per cent of the full export value.

b) An undertaking is obtained from the exporter on the duplicate of EDF forms that he will surrender/account for the balance proceeds of the shipment within the period prescribed for realization.

(ii) In cases where the exporter has not been able to arrange for repatriation of the undrawn balance in spite of best efforts, Axis Bank, on being satisfied with the bona fides of the case, should ensure that the exporter has realised at least the value for which the bill was initially drawn (excluding undrawn balances) or 90 per cent of the value declared on EDF form, whichever is more and a period of one year has elapsed from the date of shipment.

C.10 Consignment Exports

Exporters are permitted to export goods on a consignment basis. To facilitate such exports, banks are required to issue a permission letter to Customs authorising the exporter to dispatch goods under consignment terms. Subsequently, banks shall regularise the export documents upon receipt of export proceeds or against submission of the Bill of Entry (BoE) in case the goods are returned. Direct dispatch of goods on a consignment basis shall be permitted for both Status Holder and Non-Status Holder exporters.

C.11 Export Bills Register

Axis Bank should maintain Export Bills Register, in physical or electronic form aligned with Export Data Processing and Monitoring System (EDPMS). The bill number should be given to all type of export transactions on a financial year basis (i.e. April to March) and same should be reported in EDPMS.

C.12 Follow-up of overdue bills

(i) Axis Bank should closely watch realization of bills and in cases where bills remain outstanding, beyond the due date for payment from the date of export, the matter should be promptly taken up with the concerned exporter. If the exporter fails to arrange for delivery of the proceeds within the stipulated period or seek extension of time beyond the stipulated period, the exporter shall undertake further exports only against receipt of full advance or an irrevocable Letter of Credit.

(ii) The duplicate copies of EDF/ Forms should, continue to be held by Axis Bank until the full proceeds are realized, except in case of undrawn balances.

(iii) Axis Bank should follow up export outstanding with exporters systematically and vigorously so that action against defaulting exporters does not get delayed.

C.13 Reduction in invoice value/write off export bill – Regulation no. 6 of Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026

An Authorized Dealer may, on request from the exporter citing reasons for under-realization or non-realisation of full export value, allow reduction in realization of export value, provided the Authorized Dealer is satisfied of the reasons cited:

Provided that where the export value is up to ₹10 lakh (or its equivalent in foreign currency) per shipping bill (for goods) or invoice (for services), the reduction of export value (including non-realization of full export value) may be permitted based on a declaration from the exporter

S. No.	Scenario	Documentation
1.	Shipping bill/EDF upto INR 10 lakh	1. Customer Declaration with reason for reduction/write off
2.	Shipping bill/EDF above INR 10 lakh	1. For Reduction / write off within 5% of previous year export turnover. Documents Required: - Customer declaration with reason for reduction/write off. - CA Certificate for reduction / write off within 5% of previous year export turnover. 2. For reduction / write off above 5% of previous year export turnover Documents Required: - Customer declaration with reason for reduction/write off. - CA Certificate for reduction / write off above 5% of previous year export turnover. - Documents as per table for reduction / write off above 5% Indicative list of reason for reduction / write off - Overseas buyer has been declared insolvent, not traceable etc. - Cost of legal action is higher than export value etc.

• **Documentary Evidence required for various reasons (indicative list for write off cases)**

S. No.	Reason	Documentary Evidence
1.	The overseas buyer has been declared Insolvent and a certificate from the Official Liquidator indicating that there is no possibility of recovery of export proceeds has been produced.	Certificate from the Official Liquidator indicating the needful as above.
2.	The overseas buyer is not traceable over a reasonably long period of time.	Customer declaration that Overseas Buyer is not traceable over a reasonably long period of time, along with any email exchanges / follow ups or any letter communications.
3.	The goods exported have been auctioned or destroyed by the Port / Customs / Health authorities in the importing country.	Importing Country Port / Customs / Health authorities letter/certificate confirming that goods have been auctioned or destroyed
4.	The unrealized amount represents the balance due in a case settled through the intervention of the Indian Embassy, Foreign Chamber of Commerce or similar Organization;	Documentary Proof given by Indian Embassy, Foreign Chamber of Commerce or Similar Organization
5.	The cost of resorting to legal action would be disproportionate to the unrealized amount of the export bill or where the exporter even after winning the Court case against the overseas buyer could not execute the Court decree due to reasons beyond his control	Customer Declaration that cost of resorting to legal action would be disproportionate to unrealized amount of export bill. Specific documentary evidence required such as price quotation or communication between lawyer and customer regarding price negotiation may be obtained
6.	Bills were drawn for the difference between the letter of credit value and actual export value or between the provisional and the actual freight charges, but the amounts have remained unrealized consequent on dishonour of the bills by the overseas buyer and there are no prospects of realization	(1) Final Invoice and (2) Letter written to Customs regarding modification of Shipping Bill acknowledged by customs or modified Shipping Bill

S. No.	Reason	Documentary Evidence
7.	Axis Bank shall, on an application received from the exporter supported by documentary evidence from the ECGC and private insurance companies regulated by IRDA confirming that the claim in respect of the outstanding bills has been settled by them, write-off the relative export bill in EDPMS	Branch should obtain a request letter from the exporter customer requesting Axis Bank with brief details of the settlement to adjust the claim proceeds towards outstanding export bill and to write-off the residual amount, along with ECGC communication letter.

C.14 Change of buyer/consignee

Axis Bank may permit the change of buyer/consignee subject to conditions below being satisfied:

- The goods have already been exported, and
- The change is necessitated due to commercial reasons, and
- The full export value of the goods is realized from new buyer and repatriated to India within the prescribed timelines

Customer to submit the following documents:

1. Customer request letter
2. Revised Invoice
3. Revised transport document
4. Customs acknowledgement on change of buyer request
5. Communication with new overseas buyer, If any .

Any reduction in export value, if applicable, the conditions stipulated under paragraph C.14 shall also be complied with.

C.15 Extension of time

Axis Bank may permit to extend the period of realization of export proceeds beyond stipulated period of realization from the date of export, up to the date of extension plus six months at a time, irrespective of the invoice value of the export subject to the following conditions:

- a) The export transactions covered by the invoices are not under investigation by Directorate of Enforcement / Central Bureau of Investigation or other investigating agencies,
- b) Axis bank is satisfied that the exporter has not been able to realize export proceeds for reasons beyond his control,
- c) The exporter submits a declaration that the export proceeds will be realized during the extended period,
- d) Reporting should be done in EDPMS.

Extension for realisation of proceeds beyond stipulated period as above

- Customer Request letter citing the reason requiring such extension with underlying proof available, if any.
- In case of extension beyond two years from the date of shipment, a buyer communication confirming the revised payment timeline shall be mandatorily obtained,

C.16 Shipments lost in transit

(i) When shipments from India for which payment has not been received either by negotiation of bills under letters of credit or otherwise are lost in transit, the Exporter must ensure that insurance claim is made as soon as the loss is known.

(ii) In cases where the claim is payable abroad, the Exporter must arrange to collect the full amount of claim due on the lost shipment

(iii) A certificate for the amount of claim received should be furnished on the reverse of the duplicate copy.

C.17 Export claims

Covered under section A.2/realized bills

(i) Axis Bank may remit export claims on application, provided the relative export proceeds have already been realized and repatriated to India and the exporter is not on the negative list of bank (ii) In all such cases of remittances, the exporter should be advised to surrender proportionate export incentives, if any, received by him.	Customer undertaking along-with details such as Type of incentive, amount of incentive availed.
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C.18 Set off / Netting off (SEZ) of export receivables against import payables – Regulation no. 7 of Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026

Set-off of export receivables against import payables from/to the same overseas buyer or supplier or with their overseas group or associate companies shall be allowed as per below guidelines. Further, it can be allowed goods v/s goods or services v/s services or goods v/s services and vice versa.

Under the above provisions, the exporter is required to submit the following documents to our branch where they are dealing with for Set-off of export receivables against import payables.

1. Consent letter/communication from Importer for set-off of outstanding transactions
2. Standard Customer declaration mentioning the transaction details for set-off
3. Export Documents for goods i.e. Invoice, Shipping Bill, Transport Documents, Packing List, Insurance etc.
4. Import Documents for goods i.e. Invoice, Transport Documents, Bill of Entry etc.
5. Import Document for Services (As per A2 remittance purpose code wise document list including form 145 / 146 as applicable)
6. Export Document for Services (As per Inward Remittance purpose code wise document list)
7. CA certificate to be obtained for o/s export and import legs for services.

Please note –

- Set-off of export receivables against import payables from/to the same overseas buyer or supplier or with their overseas group or associate companies are allowed provided written/ legally enforceable agreement / contract is in place and within the realisation/extended period irrespective of the calendar year.
- Set-off of export receivables against goods shall be allowed against import payables for services and vice versa. Such requests shall be allowed on case-to-case basis subject to internal bank approval
- Import payables or export receivables are outstanding at the time of allowing set off
- Each of the export and import transactions shall be reported separately (gross basis) in FETERS/E/IDPMS as applicable
- E-BRC can be generated by the exporter for the value being reflected in EDPMS
- The export / import transactions with ACU countries are kept outside the arrangement.

C.19 Issuance of Electronic Bank Realisation Certificate (eBRC)

The Directorate General of Foreign Trade (DGFT) has implemented an enhanced eBRC system for the exporters. The eBRC system shall enable exporters to self-certify their eBRC by matching the Inward remittance data transmitted by the Bank to DGFT with relevant shipping bills, SOFTEX, or invoice details.

For generation of eBRC the Exporter needs to visit the DGFT website <https://www.dgft.gov.in/CP> and log in to the portal using valid credentials.

C.20 Export Data Processing and Monitoring System (EDPMS) - reconciliation of export entries – Special Procedure

Provided that in the case of export where the shipping bill (for goods) or invoice (for services) is up to 10 lakh (or its equivalent in foreign currency), entry in EDPMS may be closed based on a declaration from the exporter to the effect that the payment against the shipping bill / invoice has been realised either in full or otherwise. Alternatively, such declaration may be submitted by an exporter to the Authorised Dealer on a quarterly basis for bulk closure of entries in EDPMS;

- Simplified Closure for Small-Value Transactions - For entries up to ₹10 lakh per entry/bill, Axis bank can now accept a declaration from exporters/importers confirming realization or payment.
- Any reduction in declared or invoice value of shipping bills or bills of entry can be accepted based on a self-declaration from the customer.
- Quarterly Consolidated Declarations - Exporters and importers can submit bulk declarations quarterly, combining multiple bills into a single statement for reconciliation and closure.
- Review of Charges by AD Banks - AD banks are directed to review and rationalize charges levied for handling these small-value transactions. They must ensure charges are commensurate with services rendered considering the relaxations and must not levy penal charges for delays in adherence to any regulatory guidelines.

In line with above guidelines, the below procedure to be followed for closure of E/IDPMS entry value equivalent to ₹10 lakh per entry/bill or below:

	EDPMS- Exports
Applicable Declaration Format	Annexure I – Customer Declaration for IRMs
Transaction Types Covered	Inward Remittances via:
	- International
	Credit/Debit Card
	- Payment Aggregator
	- Personal Visit Remittances (other than cash)
	- Marketplace Transactions
System Reference Required	e-FIRC number must be available in EDPMS
KYC Compliance	Exporter/Importer must be KYC compliant customer of the bank
Invoice Reduction	Allowed via self-declaration for bills ≤ ₹10 lakh
Quarterly Consolidation	Allowed – multiple bills can be combined in one declaration for bulk reconciliation and closing of E/IDPMS entries
Document Required	Self-declaration only – as per bank specified format containing transaction details.
Additional Notes	1. Ensure correct remittance type is selected in declaration
	2. Branch will share the requisite SB details in the bulk excel format for knocking off the SBs. However, generic details shall be filled for the mandatory fields, pasted below
	Importer Address- Importer country name to be mentioned
	HS Codes (8 Digits)- Others
	Shipping/Airlines Company Name- NA
	Vessel Name/Flight Number- NA

PART-D Remittances connected with Export

D.1 Agency commission on exports

(i) Axis Bank may allow payment of commission, either by remittance or by deduction from invoice value, on application submitted by the exporter. The remittance on agency commission may be allowed subject to conditions as under:

a) Amount of commission has been declared on EDF and accepted by the Customs authorities or Ministry of Information Technology, Government of India / EPZ authorities as the case may be. In cases where the commission has not been declared on EDF, remittance may be allowed after satisfying the reasons adduced by the exporter for not declaring

commission on Export Declaration Form, provided a valid agreement/written understanding between the exporters and/or beneficiary for payment of commission exists.

b) The relative shipment has already been made, or export advance (full or partial) is received. The agreement should explicitly permit advance payment of agency commission.

(ii) Axis Bank may allow payment of commission by Indian exporters, in respect of their exports covered under counter trade arrangement through Escrow Accounts designated in US Dollar, subject to the following conditions:

a) The payment of commission satisfies the conditions as at (a) and (b) stipulated in paragraph (i) above.

b) The commission is not payable to Escrow Account holders themselves.

c) The commission should not be allowed by deduction from the invoice value.

(iii) Payment of commission is prohibited on exports made by Indian Partners towards equity participation in an overseas joint venture / wholly owned subsidiary as also exports under Rupee Credit Route except commission up to 10 per cent of invoice value of exports of tea and tobacco.

For handling such request, exporter need to submit the following document:

- 1) Form A2 cum Application
- 2) Form 145/146
- 3) Self certified underlying document evidencing bonafides of the transaction (Invoice)
- 4) Copy of EDF/PP form
- 5) Valid agreement / written understanding between exporter/Commission/Indenting Agent and/or beneficiary of payment of agency commission only if agency commission is not declared in EDF/PP Forms) and customer letter stating reason for not declaring the commission on EDF.
- 6) If multiple EDF/PP forms are there then an excel containing details of this commission amount certified by customer along with declaration from the branch that all SB copies are in branch records and NO OFAC country involved and total of commission on SB copies tally with the remittance amount, can be submitted.
- 7) In case export bill handled by a different AD Bank, NOC from that AD.

D.2 Refund of export proceeds

S. No.	Scenarios	Documentation
	Refund of Export Advance (Goods Not Exported) - The exporter receives an advance from the overseas buyer but cannot meet the delivery timeline and cancels the order. Since no shipment occurs, the buyer requests a full refund of the advance.	We may handle the request under outward remittance basis the following documents if the refund is made within 3 years from the date of receipt of advance remittance: 1) Form A2 cum application (appended below) 2) Correspondence with the overseas buyer/Relevant contract with refund clause 3) If advance export refund is done of an amount which was credited to EEFC a/c of the exporter then a declaration to be obtained from customer that they have utilized entire balances lying in their EEFC account maintained at different branches/ banks. 4) In case of refund of Advance Payment against export after completion of 3 years from the date of receipt of advance payment, approval shall be taken from Transaction approval committee of the bank

2.	Refund After Export Proceeds Realisation (Goods Rejected / Destroyed / Reimport) –	We may handle the request under outward remittance basis the following documents: 1) Form A2 cum application (appended below) 2) Correspondence with the overseas buyer and Destruction certificate by Port (not applicable for re-import cases) / Customs / Health authorities/ any other accredited agency in the importing country 3) Confirmation from the Exporter / Certificate issued by DGFT / Custom authorities / Customer undertaking with DGFT /customs acknowledgment for the proportionate incentives which have been availed are surrendered OR no incentives have been availed. 4) Evidence of re-import i.e. BOE in case of return of goods. 5) In case Export realization received in other AD Bank, client needs to provide intimation letter/email sent to other bank.
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SECTION 1 – POLICY OVERVIEW, PURPOSE and SCOPE

1.1 Background, Regulatory Framework and Governing Principles

The Reserve Bank had comprehensively reviewed the regulations and directions governing export and import of goods and services under FEMA, 1999, in consultation with stakeholders, and had notified the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026. These Regulations are intended to promote ease of doing business, particularly for small exporters and importers, and to empower Authorised Dealers (AD Category-I banks) to provide quicker, more efficient and risk-based services to their customers. The Regulations come into effect from October 01, 2026.

The Bank offers a comprehensive suite of Import Trade Finance products to facilitate cross-border import transactions of goods and services. All such transactions shall comply with the applicable regulatory, legal and internal framework as outlined below:

Area	Guidelines
Regulatory Framework	Transactions shall comply with FEMA 1999, FEMA 23(R), RBI Master Directions, Foreign Trade Policy (FTP) and Customs Act.
Import Licensing	Imports are generally permitted freely except for restricted, prohibited or canalised goods under FTP. The Bank shall ensure valid DGFT licence (where applicable), adherence to licence limits/conditions and obtain customer declaration of unutilised balance. No transaction shall exceed valid licence limits.
Compliance Framework	Compliance with PMLA, KYC/AML guidelines, sanctions regulations and FATF standards.
ICC Rules	UCP 600, ISBP, eUCP (for Letters of Credit) and URC 522 (for import collections), wherever applicable.
Internal Framework	Bank's internal policies, SOPs and risk management guidelines.
Regulatory Approvals	RBI approvals/clarifications shall be routed through Trade Finance Operations, in consultation with Compliance, through PRAVAAH to the jurisdictional RBI office.
FEMA Principles	Transactions shall be permissible under FEMA and foreign exchange shall be utilised only for declared or otherwise permissible purposes through Authorised Dealer (AD) Banks.
Due Diligence and Control	Adequate documentation, customer due diligence and end-use verification shall be ensured by Branch / Operations.
Compliance Oversight	Transactions shall comply with AML and sanctions requirements with full audit traceability.

1.2 Purpose

This Policy establishes a centralised governance framework for Import Trade Finance to:

- Foreign exchange shall be utilised only for the declared or permissible purpose in accordance with FEMA, RBI and FTP requirements.
- Provide uniform guidance across all import products and transactions
- Define roles, responsibilities and approval hierarchy
- Establish minimum risk management and control standards

1.3 Import Licence

LCs and import remittances are freely permitted, except for negative list items requiring an FTP licence. For such cases, obtain licence copy/digital licence with client confirmation of available balance and ensure compliance with licence conditions, especially where BOE is not reflected in IDPMS.

Client to provide utilisation details in the below format (of the Licence amount) for each request. Branch to check and process accordingly.

License No. and Date	Item /HSN Code	Allowed Qty /Value	Used Qty /Value	Balance Qty /Value	Purpose of use

Section -II Import Payment and Transaction Framework

2.1 ADVANCE REMITTANCE

A. Overview and Applicability:

Advance remittance refers to payment made to the overseas supplier prior to shipment of goods or rendering of services, based on contractual terms.

Permitted for: Import of Goods and Services, Sector-specific imports (Aviation, Vessels, Rough Diamonds) based on Underlying document and in compliance with FEMA / RBI regulations.

B. Indicative documentation:

- 1) Proforma Invoice/Purchase Order/Sales Contract with tentative shipment/service availability date
- 2) Client request letter – cum – Debit authority
- 3) Beneficiary Opinion Report (as applicable)
- 4) FBG/SBLC (as applicable)

C. Risk Mitigation and Regulatory Conditions / Detailed threshold and Deviation Matrix:

Advance remittance may be permitted with or without FBG/SBLC from an international bank of repute or a guarantee of an Authorized Dealer in India, which is issued against a counter-guarantee of an international bank of repute, based on risk assessment and internal approvals.

S. N o.	Product	Requirements of FBG waiver (on basis of quantum of advance under contract)	Requirements of Opinion Report (exempted for entities with BBB+ and above rating)
1.	Import of Goods	A. Up to USD 500,000: Not Required B. > USD 500,000 up to USD 10 Mn (for Goods): FBG required. FBG waiver approval as per Bank's internal approval matrix C. > USD 10 Mn: FBG required. Waiver can be provided as per Bank's Internal approval matrix	Required: i) For credit clients > USD 1 Mn and non credit client > USD 0.5 Mn. <i>Any deferral can be exceptionally provided as per Bank's internal approval matrix</i> Note: Opinion report not required if FBG is in place.
2.	For Aviation where permission from (DGCA) to operate as Scheduled or Non-Scheduled Air Transport Service (including Air Taxi Services) and import of Vessel	A. Upto USD 1 Mn: Not Required B. > USD 1 Mn to USD 50 Mn: FBG required. FBG waiver to be provided with satisfactory Overseas party Opinion report as per Bank's Internal approval matrix C. > USD 50 Mn: FBG required. Waiver can be provided as per Bank's Internal approval matrix	Above USD 1 Mn. <i>Any deferral can be exceptionally provided as per Bank's Internal approval matrix</i>
3.	Import of Services	A. Upto USD 250,000: Not Required B. > USD 250,000 to USD 1 Mn: Required FBG waiver to be provided with satisfactory Overseas party Opinion report as per Bank's Internal approval matrix C. > USD 1 Mn: FBG required. Waiver can be provided as per Bank's Internal approval matrix	Above USD 250,000. <i>Any deferral can be exceptionally provided as per Bank's Internal approval matrix</i>

Note:

- No Opinion report required for overseas parties featured under Fortune 500 companies or Fortune Global 500, UN agencies, Multilateral institutions (World Bank/IMF/ADB), Govt-owned entities, Export Credit Agencies
- No advance remittance shall be permitted for the import of gold or silver in any form except payments made by Qualified Jewellers/ TRQ holders through IIBX. The RBI has strictly prohibited advance remittances including precious metals (RBI formally recognises gold, silver, and platinum—along with palladium and rhodium—as precious metals).
- Where an importer is unable to import within the contract period or the extended period the importer shall repatriate the advance payment made, if any. In absence of repatriation or where the IDPMS entry has not been marked-off, any future advance payment for imports by the importer shall require an unconditional, irrevocable SBLC/FBG from an international bank of repute or a guarantee of an Authorized Dealer in India, which is issued against a counter-guarantee of an international bank of repute.

- In case of advance remittance for import of rough diamond, no FBG/Opinion report to be insisted upon - where imported from overseas mining company recommended by GJEPC.
- Exempted for group companies subject to one-time declaration with UIN details

D. Import of Gold and Silver through India International Bullion Exchange

RBI has permitted Qualified Jewellers (QJs) and TRQ holders (Gold under India-UAE CEPA) to undertake advance remittance (up to 11 days for BOE submission or Repatriation of unutilised funds) for import of Gold and Silver through IIBX. No fresh transactions if any advance remains overdue beyond 11 days.

2.2 DIRECT IMPORT REMITTANCE

Direct Import Remittance refers to payment made to the overseas supplier after shipment of goods or availment of service, supported by Bill of Entry (BoE) or equivalent evidence. Such transactions shall be permitted for import of goods/ service in line with underlying trade documents and applicable FEMA/RBI regulations.

A. Indicative documentation:

- Client request letter – cum – Debit authority
- Invoice
- Transport Document (even for in-transit cases)
- Evidence of Import (BOE no., Date and Port code). In case BOE is not reflected in IDPMS portal (max 30 days), remittance can be made with availability in ICEGATE
- Form TC in case due date is above 180 days
- No separate requirement of beneficiary opinion report in case Bill of Entry number is generated or BL/AWB tracking is available.

B. High Sales (HSS)

High Seas Sales (HSS) refers to transactions where ownership of goods are transferred while on high seas, i.e., after shipment but prior to clearance for home consumption in India and before filing of the Bill of Entry. In such cases, the original importer enters into a High Seas Sale Agreement and transfers ownership of the goods by endorsing the original transport documents (Bill of Lading / Airway Bill) in favour of the High Seas Sales Buyer (HSS Buyer).

Accordingly, the original importer transfers title of the goods to the HSS Buyer, who subsequently files the Bill of Entry and clears the goods from Customs. The HSS Buyer makes payment in Indian Rupees to the original importer. High Seas Sales are recognized and permitted under the Foreign Trade Policy.

I. Procedure for High Seas Sales (HSS)

1) Process

- HSS agreement shall be executed after shipment and prior to filing of Bill of Entry (BOE), i.e., while goods are on high seas and before arrival / unloading of goods in India or IGM date available on Bill of entry or Icegate.
- Multiple HSS transactions may be allowed within a single import chain, provided:
 - Each transfer is supported by a valid HSS agreement
 - Agreements are executed prior to BOE filing
 - No agreement is executed post arrival of goods in India
 - Final BOE reflects complete trail (overseas supplier, original importer, final HSS buyer)

2) Bill of Entry

- In HSS transactions, BOE is filed by the HSS buyer; remittance is by the original importer. Such BOE may be accepted as valid import evidence, subject to verification and alignment with IDPMS (IEC, amount, currency, supplier details).
- Bill of entry clearly captures overseas supplier, original importer, and HSS buyer details and details to be checked before Processing remittance, or Settling ORM in IDPMS
- ORMs of the original importer may be settled based on HSS BOE, supported by a valid HSS agreement, ensuring clear linkage between remittance and import.
- HSS transactions are not permitted under NEO / paperless channels; full document-based validation is mandatory.

3) Restricted Items- Valid import licence must be held by HSS buyer; to ensure regulatory compliance

1.3 Import Collection:

A. Overview and Applicability:

Import Collection refers to handling of import bills without Letter of Credit, where documents are received through banking channels (or directly) and payment / acceptance is made against documents.

B. Indicative documentation:

- Remitting Bank Covering Letter (with clear payment instructions, document list, as applicable)
 - Standard documentation list contains Commercial Invoice, Transport Document, Bill of Exchange
 - Insurance / Packing list / country of origin (non-mandatory documents)
1. At the time of Acceptance (DA cases)
 - Bill of Exchange needs to be accepted by Importer's authorised signatory along with Customer request for document release against acceptance
 - Stamp duty / franking on Bill of exchange for tenor more than 90 days.
 2. At the time of Realisation:
 - Customer payment / debit authority obtained before remittance
 - Prepayment allowed only if permitted as per remitting bank instructions (as per existing FEDAI guidelines)

1.4 Letter of Credit

A. Overview

LC is an undertaking given by issuing bank to honour the payment against compliant documents, governed by UCPDC 600.

B. Indicative documentation at the time of LC issuance:

- LC application / request (FLC application form and ILC application form enclosed)
- Invoice / contract / agreement as underlying document
- Import Licence (for restricted goods)

C. Indicative documentation at the time of Acceptance (for Usance LC):

- Bill of Exchange accepted by Importer's authorised signatory along with Customer request for document release against acceptance

D. Realisation (Payment)

- Customer debit authority for compliant document / accepted discrepancies before payment

E. Sanction Clause – LC (Mandatory)

As per Bank's latest Sanction policy, existing Sanction clause needs to be incorporated in all LCs.

- Applicability: Foreign LCs
- Transactions involving sanctioned countries / parties not permitted. Screening to be ensured as per UN / US / EU / UK and internal policy

1.5 Import of Services

A. Overview and Applicability

Import of Services refers to remittances made towards services availed from a non-resident, including professional services, consultancy, technical services, royalty, software, and other intangible services. Such transactions shall be permitted subject to FEMA, Income Tax provisions and applicable regulatory guidelines.

B. Documentation:

- Client request letter cum debit authority (Form A2 Application)
- Invoice / Agreement / Contract / Service confirmation
- Form 145/146 (or applicable tax declaration)
- CA Certificate (where applicable)
- Any regulatory approval (if applicable)

1.6 Merchanting Trade:**A. Overview and Applicability**

Merchanting Trade refers to trade transactions where goods are purchased from one overseas supplier and sold to another overseas buyer without entering India, in compliance with FEMA 23(R)/2026, FTP and RBI guidelines.

Transactions to be undertaken only after ensuring commercial rationale, bonafides, KYC/AML compliance and regulatory adherence.

B. Documentation

- Client request letter
- Import and Export invoices (aligned; tenor ≤ 6 months)
- Transport documents (BL / AWB)
- Supporting documents for value addition / processing (if applicable)

C. Core Transaction Conditions

- Goods must not enter India (DTA)
- Both legs to be routed through same AD bank with one-to-one matching. However, in case of genuine reasons AD Bank can regularize the deviation.
- Trade cycle: Import Outflow and Export Inflow should be completed within 6 months
- Advance payment (import leg):
 - Allowed with due diligence
 - BG/SBLC required > USD 5 lakh
- Third-party payments:
 - Allowed only with valid documentation as per third party payment guidelines
- Buyer's Credit: Not permitted
- LC issuance: Allowed only against firm export order

D. Special Case – Nepal / Bhutan

- Permitted under Transit Trade arrangements
- Subject to compliance with India–Nepal / Bhutan Treaty of Transit

Section III Evidence of Import and IDPMS Framework**3.1 Evidence of Import (Physical and Non-Physical)****A. Background**

Axis Bank shall maintain a comprehensive Evidence of Import and IDPMS framework covering standard import transactions, exception scenarios and alternative payment channels, with clearly defined controls for verification, monitoring, reconciliation and regulatory reporting. Import payments shall be completed in accordance with the underlying contractual terms, applicable FEMA regulations, RBI directions and the Bank's internal policy framework. The Bank shall ensure that the importer furnishes satisfactory evidence of import / service receipt, that goods or services equivalent to the remittance value have been received or otherwise regularised, and that all such transactions are reported and monitored through IDPMS.

I. Physical Imports:

- In case of all imports, irrespective of the value of foreign exchange remitted / paid for import into India, importer has to submit:
 - BoE number, port code and date.

- (b) Customs Assessment Certificate or Postal Appraisal Form, as declared by the importer to the Customs Authorities, where import has been made by post, or Courier Bill of Entry as declared by the courier companies to the Customs Authorities in cases where goods have been imported through couriers, as evidence that the goods for which the payment was made have actually been imported into India, or
- (c) For goods imported and stored in Free Trade Warehousing Zone (FTWZ) or SEZ Unit warehouses or Customs bonded warehouses, etc., the Ex-Bond Bill of Entry or Bill of Entry issued by Customs Authorities by any other similar nomenclature the importer shall submit applicable BoE number, port code and date for marking evidence of import under IDPMS as detailed below.

II. Non-physical Imports

Where imports are made in non-physical form, i.e., software or data through internet / datacom channels and drawings and designs through e-mail / fax, a certificate from a Chartered Accountant that the software / data / drawing/ design has been received by the importer, may be obtained.

All remittances will be tracked through IDPMS.

3.2 Due Date Determination Axis Bank shall determine and monitor due dates for import transactions based on:

- Contractual terms, wherever specified
- Documentary evidence supporting tenor
- Default timelines, where tenor is not specified

3.3 Special Scenarios and Exception Handling:

i) BOE Knock off for Import Payments to Nepal and Bhutan through RTGS, NEFT and Online Payment

The Indian Importers having Importer Exporter Code and importing goods through Nepal and Bhutan are using this facility for such import payments without the import bills being lodged by any AD Category-I Bank in India. Bill of Entry for such imports flow in IDPMS and remain outstanding against the AD Category-I bank without having any references to ORMs since the payments were made directly by the Importer party to a beneficiary in Nepal or Bhutan.

The settlement of bill of entries would be applicable for Axis Bank AD Code only. Importers are, however, encouraged to route import payments through the regular AD Category-I Bank Trade channel wherever feasible, as this facilitates creation of ORMs, automated reconciliation in IDPMS, and timely closure of import monitoring records in accordance with regulatory guidelines.

ii) Regularization of BOE in IDPMS where import payments are made through International Credit cards / Debit cards

With a view of regularization of BOE in IDPMS where import payments are made through International Credit cards / Debit cards and notwithstanding anything contained in the Manner of Payment in foreign Exchange, a person resident in India may make payment for import of goods in foreign exchange through an international card held by him/in rupees from international credit card/ debit card through the credit/debit card servicing bank in India against the charge slip signed by the importer or as prescribed by Reserve Bank from time to time, provided that the transaction is in conformity with the extant provisions and the import is in conformity with the Foreign Trade Policy in force.

3.4 Extension of ORM and BOE:

Bank will consider granting extension of time for settlement of import dues (up to a period of 180 days at a time), upon expiry of tenor mentioned in the contract, maximum of 360 days (1080 days for Capex goods) from shipment date, irrespective of the invoice value for delays on account of disputes about quantity or quality or nonfulfillment of terms of contract; financial difficulties and cases where importer has filed suit against the seller.

In cases where sector specific guidelines have been issued by Reserve Bank of India for extension of time (i.e., rough, cut, and polished diamonds), the same will be applicable.

Bank will extend the BOE/ORM subject to:

- Client declaration that the import transactions covered by the invoices are not under investigation by Directorate of Enforcement / Central Bureau of Investigation or other investigating agencies.
- Invoice and Bill of entry copy.

3.5 Write off / Reduction / Closure / Free of Cost (FOC)/NCV/Sample / Quality / Small value cases:

Bill of Entry - Below process and thresholds to be followed

1	Cases up to INR 10 lakh or equivalent	Client to submit a Self-declaration (as per indicative format for small value/FOC) as part of the request letter signed by authorized signatories. Closure is not permitted for ED-reported names or cases under LEA investigation. The letter would provide reason whether BOE closure is against : • Import payment made through credit card / debit card / PACB or any other mode other than bank. • Write off / Reduction
2	Cases exceeding INR 10 lakh or equivalent	Client will submit a Self-declaration with reason along with below : • CA/SA Certificate confirming that the goods imported • Communication with overseas parties for discount / reduction in value of goods post import and no payment required to be made

ORM - Below process and thresholds to be followed:

1	Cases upto INR 10 lakh or equivalent	Client has to submit a Self-declaration as part of the request letter signed by authorized signatories. The letter would provide reason as • Import already made through hand carriage etc. (CA Certificate confirming goods imported and recorded in books of accounts) • Overseas entity not contactable / became insolvent and cost of going legal is more than the remittance amount.
2	Cases exceeding INR 10 lakh or equivalent	Client has to submit a Self-declaration with reason along with below: • CA Certificate confirming that write off is within 5% of total import remittance in previous financial year or • In case write off is more than 5%, justification from Statutory Auditor along with satisfaction on Bonafide.

3.6 Follow-up for Import Evidence against goods/services:

Bank shall continue to follow up for outward remittance made for import in terms of extant guidelines and instructions on the subject. In cases where relevant evidence of import data is not available in IDPMS on due dates against the ORM, bank shall follow up with the importer for submission of documentary evidence of import. Similarly, if BoE data is not settled against ORM within the prescribed period or within contractual terms, Bank shall follow up with the importer in terms of extant instructions.

(i) In case an importer does not furnish any documentary evidence of import, within Contract period plus 90 days from the date of shipment involving foreign exchange or within the specific contractual terms irrespective of value, bank will rigorously follow-up for the overdue cases, by using various modes of communications.

(ii) In IDPMS, all outstanding import remittances, irrespective of amount involved, should be reported by us.

Section IV: Special Import Transactions and Permissible Payment Arrangements

4.1 Import Factoring

(i) Axis bank may enter into arrangements with international factoring companies of repute, preferably members of Factors Chain International, without the approval of Reserve Bank.

(ii) Bank will have to ensure compliance with the extant foreign exchange directions relating to imports, Foreign Trade Policy in force and any other guidelines/directives issued by Reserve Bank in this regard.

(iii) Any such product offering will be subject to the availability of an approval for the offering of Import Factoring product by the relevant Product Approval Committee of the Bank.

4.2 Third Party Payment for Import of goods and services including MTT :

Bank will allow to make payments to a third party for import of goods, subject to submission of following.

- Bank shall allow third party payment where the same is declared in BOE / Invoice.
- In absence of third-party name declared on BOE / Invoice, client needs to provide justification for circumstances leading to third party payment
- Third party payment without any additional requirement is allowed where payment is going to group companies / centralized treasury.
- Third party payment for BOE not in place (goods in transit) or for advance remittances to be allowed with justification from client and approval as per Bank's internal approval matrix

4.3 Interest on Import of goods and services

Interest applicability will be as per Contract terms only. Bank will allow pre-payment of interest reduction on usance bills or overdue interest on delayed payments (for a period of less than three years from the date of shipment) at the rate prescribed for trade credit from time to time, as agreed by both parties.

An importer shall ensure that interest payable, if any, on delayed payment for imports, 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.

In case of pre-payment of usance import bills, remittances may be made only after reducing the proportionate interest for the unexpired portion of usance at the rate at which interest has been claimed or LIBOR/any other widely accepted/Alternative reference rate of the currency in which the goods have been invoiced, whichever is applicable. Where interest is not separately claimed or expressly indicated, remittances may be allowed after deducting the proportionate interest for the unexpired portion of usance at LIBOR/any other widely accepted/Alternative reference rate of the currency of invoice/ acceptable benchmark for that currency. However, interest up to 3-4 days need not be deducted.

Any change in value due to above, operating unit should ensure proper remark/indicator is entered for ORM mark off in IDPMS etc. as per extant IDPMS guidelines.

4.4 Remittances against Replacement Imports

Where goods are short-supplied, damaged, short-landed or lost in transit and the import licence or digital licence has already been utilised to cover the opening of a letter of credit against the original goods which have been lost, the original endorsement to the extent of the value of the lost goods may be cancelled by the bank and fresh remittance for replacement imports may be permitted, provided, the insurance claim relating to the lost goods has been settled in favour of the importer. It may be ensured that the consignment being replaced is shipped within the validity period of the license. Bank will ensure that proper remark/indicator is entered for ORM mark off/closure of Bills in IDPMS etc. as per extant IDPMS guidelines.

4.5 Import of Equipment by Business Process Outsourcing (BPO) Companies for their Overseas Sites

Bank may allow BPO companies in India to make remittances towards the cost of equipment to be imported and installed at their overseas sites in connection with the setting up of their International Call Centres (ICCs) subject to the following conditions:

- (i) The BPO company should have obtained necessary approval from the Ministry of Communications and Information Technology, Government of India and other authorities concerned for setting up of the ICC.
- (ii) The remittance will be allowed based on banks' commercial judgment, the bonafides of the transactions and strictly in terms of the contract.
- (iii) The remittance is to be made directly to the account of the overseas supplier.
- (iv) Bank will also obtain a certificate as evidence of import from the Chief Executive Officer (CEO) or auditor of the importer company that the goods for which remittance was made have actually been imported and installed at overseas sites.
- (v) Bank will ensure compliance with IDPMS guidelines as applicable.

4.6 Import payment through Online Payment gateway Service Providers (as per RBI's framework on PA-CB dated Sep'2025):

Bank will allow facility of payment for imports of goods and software of value not exceeding INR 25,00,000/- (INR 25 lakh) by entering into standing arrangements with the PACBs subject to the following:-

- (a) The balances held in the outward Collection account shall be remitted to the respective overseas exporter's account immediately on receipt of funds from the importer and, in no case, later than two days from the date of credit to the collection account.

(b) The AD Category –I bank will obtain a copy of invoice and airway bill from the PA-CB containing the name and address of the beneficiary as evidence of import and report the transaction in R-Return under the foreign currency payment head.

(c) The permitted credits in the PA-CB outward Collection account will be:

- collection from Indian importers for online purchases from overseas exporters electronically through credit card, debit card and net banking and
- charge back from the overseas exporters.
- The permitted debits in the PA-CB outward Collection account will be:
- payment to overseas exporters in permitted foreign currency;
- payment to Indian importers for returns and refunds;
- payment of commission at rates/frequencies as defined under the contract to the current account of the PA-CB and bank charges