

Procedures for Handling Import and Export of Goods and Services under FEMA

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Background

The Bank offers Import and Export of Goods and Services transaction to its customers in accordance with the provisions of the Foreign Exchange Management Act, 1999 (FEMA), the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026, the directions issued by the Reserve Bank of India from time to time, the extant Foreign Trade Policy, and other applicable laws and regulations.

Product offering

The Bank offers a range of cross-border trade finance services to facilitate customers' eligible import and export transactions, subject to applicable regulatory requirements and the Bank's policies. These services broadly include the following:

A. Import Transactions

Customers may undertake outward remittances for eligible Import transactions, including:

- Payment towards Import of Goods
- Payment towards Import of Services
- Advance payment towards Imports of Goods/Services
- Payment under eligible Merchanting Trade Transactions
- Bills under collection / Letter of Credit

B. Export Transactions

The Bank facilitates receipt, processing and settlement of inward remittances against eligible export and trade-related transactions, including the following:

- Export of Goods;
- Export of Services/Software;
- Advance receipts against future exports
- Settlement under eligible Merchanting Trade Transactions
- Bills under collection / Letter of Credit

List of Documents

The Bank shall obtain below standard documents as per the underlying structure of transaction. Below is not the exhaustive list of documents & bank may obtain any other required document as per the nature of transaction.

Import Transactions

Transaction Type	Basic Documents Required
Direct Import Payment	1. Application form including FEMA & other declarations 2. Invoice 3. Transport Document 4. Bill of Entry or equivalent customs document 5. Form 145-146 (for services) 6. Lease Agreement for import on lease basis 7. Any other document as per underlying transaction. E.g., import license
Advance Import Payment	1. Application form including FEMA & other declarations 2. PI/PO 3. BG/SBLC as applicable (refer Section III point 2 for detailed process) 4. Intimation letter if the earlier advance payment is routed through some other AD Bank 5. Form 145-146 (for services) 6. Any other document as per underlying transaction. E.g., import license 7. Additional document for import of rough diamonds – a. The overseas mining company should have the recommendation of GJEPC. b. Copy of Kimberley Process Certificate for the diamonds intended to be imported. For any repatriation of advance remittance (return of funds from overseas seller to the importer), reason for repatriation to be obtained from customer
Payment under LC/ Collection	1. Customer Request Letter/ Payment instruction 2. Documents as per terms and conditions of LC / collection
Delay Import Payment	1. Request Letter citing the specific reason for the delay 2. Underlying Contract or Invoice 3. Bill of entry reference 4. Document evidencing cause of delay (as applicable) 5. Any other document required by the bank
Extension of Time including MTT	1. Request Letter citing the specific reason for the extension. In case of repeated extensions, request should specify final timeline for payment. 2. Underlying Contract or Invoice 3. Bill of entry reference 4. Any other document required by the bank

Third Party Payment including MTT	1. Request Letter 2. Underlying Contract/ Invoice evidencing third party payment or 3. Documentary evidence of the relationship or arrangement with the third party for the particular Import payment (e.g., an assignment agreement, a group-company confirmation, or a factoring agreement)
Set-Off	1. Request Letter 2. Export invoice(s)/EDF & import invoice(s)/Bill of Entry 3. Document evidencing of the group/ associate relationship where applicable 4. Declaration confirming that the export realisation period (including any AD-extended period) for the receivable has not lapsed
Write-off/ reduction	1. Request Letter citing the specific reason for the write-off 2. Underlying Contract or Invoice 3. Supporting document evidencing rationale for write-off 4. Any other document required by the bank as per underlying transaction
Import under High Sea Sales	1. Invoice - Commercial and High Sea sale (as applicable) 2. Transport Document 3. Bill of entry details in the name of HSS buyer 4. High Sea Sale agreement 5. Any other document required by the bank as per underlying transaction

Export Transactions

Transaction Type	Basic Documents Required
Export Document for lodgement	1. Request letter including FEMA & other declarations 2. Invoice 3. Transport Document 4. Shipping Bill or equivalent customs document 5. Any other document required by the bank
Service exports	1. Request letter including FEMA & other declarations 2. EDF form 3. Invoice / Agreement / contract as applicable. 4. Any other document required by the bank

Export Realization	1. Disposal Instruction with relevant purpose code and documents wherever applicable.
Extension of Time including MTT	1. Request Letter citing the specific reason for the extension. In case of repeated extensions, request should specify final timeline for payment. 2. Underlying PO/ Invoice 3. Shipping Bill as applicable 4. Any other document required by the bank
Third Party Payment including MTT	1. Request Letter 2. Underlying Contract/ Invoice evidencing third party payment 3. Shipping bill evidencing third party. 4. Documentary evidence of the relationship or arrangement with the third party (e.g., an assignment agreement, a group-company confirmation, or a factoring agreement) 5. Any other document required by the bank
Set-Off	1. Request Letter 2. Export invoice(s)/EDF & import invoice(s)/Bill of Entry 3. Document evidencing of the group/ associate relationship where applicable 4. Declaration confirming that the export realization period (including any AD-extended period) for the receivable has not lapsed 5. Agreement/mutual consent between parties / Letter from buyer / supplier with transaction details on set-off 6. Transport document 7. Inward / Outward details evidencing receipt of payment or remittance made for remaining / balance amount as applicable 8. Any other document required by the bank
Reduction / Write -off in the Export Realization / IRM including MTT.	1. Request Letter 2. Export invoice(s)/EDF. 3. Transport document 4. Shipping Bill 5. Document required based on the reason defined in the request letter and evidencing the reason for reduction or write off. 6. Customer declaration towards surrendering of proportionate export incentives if any, availed of or not claimed in respect of the relative BILL / IRM 7. Any other document required by the bank

All transactions shall be undertaken in compliance with the applicable provisions of FEMA and the rules, regulations and directions issued thereunder, the Foreign Trade Policy, applicable KYC and Customer Due Diligence (CDD) requirements, prescribed document scrutiny and verification, sanctions screening and AML/CFT requirements, other applicable statutory and regulatory requirements, and the Bank's internal policies, procedures, controls and risk assessment framework, as amended from time to time.

Application and submission channels

Customers may submit requests for eligible import and export transactions through the channels made available by the Bank from time to time, including:

- Branch Banking
- Online/Digital Banking

Compliance with regulatory guidelines

Customers undertaking Export and Import of goods and services transactions through the Bank shall ensure that:

1. The transaction is bona fide and permissible under FEMA and other applicable laws.
2. Complete and accurate transaction information and supporting documents are furnished to the Bank.
3. Export proceeds are realised/repatriated and import obligations are settled within applicable regulatory timelines.
4. Regulatory declarations and reporting requirements applicable to the customer are complied with.
5. Customers shall submit the requisite information and documents to the Bank in a timely manner to facilitate reconciliation, closure and/or regularisation of outstanding EDPMS/IDPMS entries within the applicable regulatory timelines.
6. The Bank is informed promptly of any cancellation, amendment, non-performance or delay relating to the underlying transaction.
7. Any additional information/document sought by the Bank for regulatory, AML, sanctions, compliance or transaction monitoring purposes is provided promptly.

Processing timelines and applicable charges

The Bank shall endeavour to process eligible transactions received during business hours within T + 2 working days, subject to receipt of complete documents, compliance with the internal policy of the bank, and applicable regulatory guidelines. Transactions requiring additional review, approvals, due diligence, or received after business hours may be processed on the next Business Day or within such time as may be reasonably required. The standard Schedule of Charges of the bank may be referred on the website at <https://www.idfcfirst.bank.in/>

Grievance Redressal and Appeal Mechanism

Level 1	Level 2	Level 3	Level 4
Branch	Call us 1800 10 888 (24*7) Or Email at banker@idfcfirstbank.com	Regional Nodal Officer email ID- rno@idfcfirstbank.com	Principal Nodal Officer email ID- pno@idfcfirstbank.com