Customer Guide – Export and Import of Goods and Services and Merchanting Trade Transactions

Under FEMA 23(R)/2026-RB · Effective 1 October 2026

1. About this guide

This document below covers the SBM Bank policy and operational framework for handling export and import of goods and services under Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026 (FEMA 23(R)/2026-RBs). FEMA 23(R)/2026-RB is effective from October 1, 2026.

This guide explains, in simple steps, how SBM Bank (India) Ltd handles your export, import and merchanting trade transactions from 01.10.2026 onwards

Before you start

You need	Details
Account and KYC	A current account at an authorised SBM Bank (India) Ltd branch, with KYC up to date
IEC	A valid, active Importer-Exporter Code from DGFT.
LEI	A Legal Entity Identifier
PAN	Permanent Account Number
Permitted trade	Goods and services must be allowed under the Foreign Trade Policy (FTP). Restricted items need a DGFT licence or authorisation, and prohibited items cannot be traded.
Request letter and supporting documents	The Bank's standard request letter with FEMA declarations, signed by an authorised signatory or Customer is onboarded on SBMeTrade and submitting request through it. (Refer to Document Check List)

Submit complete and correct documents in one go. Turnaround time starts only when the Bank receives the complete and correct set.

Common rules for all transactions

1. **Genuineness first.** Ensure you submit genuine trade transactions with required supporting documents.
2. **Everything is tracked.** Every export is recorded in RBI's EDPMS and every import in IDPMS

3. **Manner of Receipt/Payment:** The receipt and payment between a person resident in India and a person resident outside India shall, unless provided otherwise, be made through SBM Bank (India) Ltd for Trade transactions receipt/payment for export to or import from the countries given below of eligible goods and services shall be made through banking channel
4. **Currency.** Contracts may be in any freely convertible currency or in Indian Rupees. INR trade is settled through Special Rupee Vostro Accounts (SRVA). Asian Clearing Union (ACU) trades are settled through ACU mechanism.
5. **Interest cap.** Interest on export advances or on delayed import payments cannot exceed RBI's all-in-cost ceiling for trade credit
6. **The Bank decides.** Extensions, reductions, write-offs and closures are decided by the Bank basis supporting documents and request from client.
7. **One bank per transaction.** Route all milestone / advance and the final payment of a transaction through SBM Bank (India) Ltd. If you change banks, inform both banks in writing.
8. **Checks apply.** KYC, sanctions screening and anti-money-laundering checks apply to every transaction. The Bank may report doubtful transactions to the Directorate of Enforcement.

2. Key terms

Term	Meaning
AD (Authorised Dealer)	A bank authorised by RBI to deal in foreign exchange
Bill of Entry (BoE)	Customs document showing goods were imported into India
D/P, D/A	Documents against Payment / Documents against Acceptance
EDF	Export Declaration Form. For goods shipped through EDI ports it is part of the Shipping Bill. For services it is filed with the Bank.
EDPMS / IDPMS	RBI systems that track every export (EDPMS) and import (IDPMS) until payment is closed • EDPMS: Export Data Processing and Monitoring System • IDPMS: Import Data Processing and Monitoring System
EDI / non-EDI port	Ports with or without electronic customs filing. EDI stands for Electronic Data Interchange
FIRC / e-BRC	FIRC: Foreign Inward Remittance Certificate / e-BRC: Electronic Bank Realisation Certificate
IRM / ORM	Inward / Outward Remittance Message: the record of a receipt or payment in EDPMS / IDPMS

Term	Meaning
Merchanting trade (MTT)	Buying goods from one overseas party and selling to another without the goods entering India
Project exports	Engineering goods on deferred payment, turnkey projects, civil construction and consultancy contracts abroad, as defined in the FTP
Purpose code	RBI code that tells the Bank what a payment is for, e.g. P0103 for an export advance
SBLC / BG	Standby Letter of Credit / Bank Guarantee
Services	Includes software: any program, database, drawing, design, audio/video signal or information delivered other than on a physical medium
Specified authority	Who certifies your EDF. Goods: Customs (DTA) or SEZ Development Commissioner. Services: the AD bank or SEZ Development Commissioner. Software: the AD bank, STPI or SEZ Development Commissioner.
SRVA	Special Rupee Vostro Account, used for trade settled in Indian Rupees
Third party	Anyone other than the buyer or supplier who pays or receives money for the trade transaction
SAC Code	Services Accounting Code A unique 6-digit numeric code issued by the Central Board of Indirect Taxes and Customs (CBIC) to classify services under India's Goods and Services Tax (GST)

3. Exports of goods

3.1 Declaring your export

- **EDI ports:** 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.
- **Non-EDI ports:** Customs sends the certified EDF to the Bank. If it is delayed, get a certified copy from Customs and give it to the Bank.
- **Free goods** (samples, replacements, repairs): declare them with nil value. No separate waiver from the Bank is needed.
- **Submit export documents to the Bank within 21 days of export of goods**. If there is delay submit delay reason.

3.2 Ways to send Export documents

- **Under a Letter of Credit to LC Issuance bank through SBM Bank (India) Ltd**, as required by the LC terms
- **On collection** (D/P or D/A) through **SBM Bank (India) Ltd**
- **Directly to the buyer**, permissible if You are a Status Holder/SEZ or 100% Inward is received against your exports

3.3 Receiving an export advance

- Share your account details and the Bank's SWIFT code with your buyer. Inform the Bank the remittance is an export advance, so the correct purpose code (P0103) is used.
- **Ship within the contract period.**
- Any interest payable to the buyer on the advance must not exceed the all-in-cost ceiling for trade credit.
- **If the export does not happen**, refund the advance only to the party who sent it, with reasons and evidence. Where the advance came through another bank, give that bank's no-objection letter.

3.4 Receiving your export proceeds

- Provide the Bank a disposal instruction (which account to credit, which bill it relates to/underlying document) with the purpose code.
- The Bank credits your account on the same day if request is received within the cut off time and the documents are complete.

- **Time limits for realisation :**

Type of export	Invoiced / settled in foreign currency	Invoiced / settled in INR
Goods	9 months from shipment	12 months from shipment
Goods sent to a warehouse abroad	9 months from the date of sale from the warehouse	12 months from the date of sale
Project exports	As per contract payment terms	As per contract payment terms

- For warehouse exports, inform the Bank the date of each sale as soon as it happens.

3.5 Requests you can make

Request	When to ask	What to give	Bank TAT*
Extension of realisation period	Before the due date	Reasons; buyer correspondence; bill details; declaration that no **regulatory body/agency** enquiry is pending	[T+2]. Granted [6 months] at a time.
Reduction in value / write-off	When the full value will not come	Reasons (discount, quality or quantity dispute, short shipment, loss or destruction, buyer insolvency) with evidence; surrender of proportionate export incentives; no **regulatory body/agency** enquiry declaration. **Up to ₹10 lakh declaration**	[T+7 to T+10]
Third-party receipt	Before receipt	Tripartite agreement or other proof; third party shown in EDF ,Shipping Bill and invoice	[2–5 days]
Set-off against import payables	Within the realisation period	Proof of both trades with the same party or its group/associate; agreement to set off; net working. **Goods cannot be set off against services.**	[5 days]
Refund of unused advance / closure of Advance Inward remittance	When export will not happen or goods return	Reasons with evidence; surrender of incentives; refund details. (within One Year) Beyond One Year will be handled case to case	[T+7]
Change of bank	Before routing	Letters to both banks; transfer of the EDPMS entry	[3-5 days]

3.6 Small-value closure (up to ₹10 lakh)

Where a Shipping Bill or invoice is ₹10 lakh or less, the EDPMS entry can be closed on your declaration. You can give a single declaration with complete signed annexure in the Bank's format.

3.7 Unrealised exports:

If money from a buyer is unpaid for more than one year after the due date (or extended date), further exports to that buyer can be made only against full advance payment or an irrevocable Letter of Credit. You must also declare pending amounts from that buyer across all banks.

Exporters on RBI's **Caution List** as on 30 September 2026 remain under those restrictions until removed from the list.

4. Exports of services and software

The rules on advances, extensions, reductions, third-party receipts, set-off, small-value closure and the one-year rule also apply to services.

- **File an EDF** for the full export value of the service **within 30 days from the end of the month in which you raise the invoice** . One EDF may cover all services invoiced in a month.
- **Services other than software:** you may instead file the EDF **on or before the date you receive payment**.
- **Software delivered online** (download, cloud, digital delivery) is an export and needs an EDF. The certifying authority is the AD bank or STPI in the DTA, or the SEZ Development Commissioner in an SEZ.
- **Proof of service:** give evidence that the service was delivered, such as a completion certificate, milestone acceptance or CA Certificates. The invoice should carry the SAC code.
- **Related parties:** declare it if the overseas client is a group or associate company.
- **Realisation:** within **9 months from the invoice date**, or **12 months** if invoiced or settled in INR.

5. Imports of goods and services

5.1 When you can pay

- Pay **within the payment period agreed in your contract** with the suppliers. However, the importer shall ensure that as per SBM Bank's Policy, while importing non-capital items and capital items the credit period agreed in the contract should be within 1 year and within 3 years from date of shipment respectively. Bank may extend due date of import payments basis documentary evidence/declarations from importers up to 3 years for non-capital items. Arrangements that are trade credit follow RBI's trade credit rules.
- **Usance bills (D/A):** any interest must stay within the all-in-cost ceiling for trade credit. If you pay early, interest for the unused period is deducted.
- **Delayed payment:** the Bank can allow payment after the due date, with or without interest, if satisfied with your reasons, 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
- **Extension of time:** ask before the contract period ends, with reasons and supplier correspondence.

5.2 Paying an advance for imports

Situation	What is needed
Any advance	Signed contract, purchase order or proforma invoice showing advance terms; expected date of import; declaration that no advance for that beneficiary is overdue with any bank.
Advance above USD 200000 (goods) or USD 200000 (services), including advances already outstanding	Standby LC or guarantee from an international bank of repute, or a guarantee from an Indian AD bank backed by such a counter-guarantee. The Bank may waive this on merit lets each bank set this threshold).
An earlier advance not refunded, or import not completed in time	Every future advance needs a standby LC or guarantee
Gold and silver	No advance allowed, except through IIBX by IFSCA-notified entities
Aircraft, ships and similar items	Approval from the ministry concerned, plus a guarantee

- The importer shall ensure that while importing non-capital items and capital items the credit period agreed in the contract shall be within 1 year and within 3 years from date of shipment respectively and submit proof of import immediately.
- Route the advance and the final payment through the same bank. If you change banks, inform both banks.
- The Bank may ask for a credit report on the overseas supplier.

5.3 Evidence of import

Import	Evidence to give the Bank
Goods	Bill of Entry (number and date) as soon as goods are cleared
Goods by post / courier	Postal or courier Bill of Entry or assessment document
Services	CA Certificate in lieu of Bill of Entry and tax forms (Form 145/146) where applicable.
Software, data, designs, drawings	Chartered Accountant’s certificate confirming receipt and tax forms (Form 145/146) where applicable.
Bill of Entry up to ₹10 lakh	The IDPMS entry can be closed on your declaration of payment

5.4 Requests you can make

Request	When to ask	What to give
Extension of time to pay or to import	Before the period ends	Reasons; revised contract or supplier correspondence
Reduction in import value	When the amount paid differs from the Bill of Entry	Up to ₹10 lakh: declaration**.** Above: evidence such as discount, short shipment, quality issue, loss or destruction; declaration that no regulatory /agency enquiry is pending
Third-party payment	Before payment	Third party named on the Bill of Entry or invoice, or a tripartite agreement. All required documents should be provided
High sea sale	Before payment	High-sea-sale agreement; Bill of Entry showing the sale and other supporting document if required
Set-off against export receivables	Within the export realisation period	Proof of both trades with the same party or group; agreement; net working

5.5 Special imports

Case	What to know
Gold, precious metals, diamonds, precious stones	Only eligible importers (nominated banks and agencies, qualified jewellers, TRQ holders, IIBX participants). RBI's specific credit-period limits apply.
ACU countries	Settled through the Asian Clearing Union mechanism where applicable

6. Merchanting trade and project exports

6.1 Merchanting trade transactions (MTT)

In an MTT, you buy goods from an overseas supplier and sell them to an overseas buyer. The goods move from one foreign country to another, or within one foreign country, and never enter Domestic Tariff Area.

Rules (Regulation)

- The gap between the outward payment to the supplier and the inward receipt from the buyer (or the other way round) must not exceed 6 months. The Bank can extend this on a reasoned request.
- Money is received only from the buyer and paid only to the supplier. Third-party receipts or payments need the Bank's approval.
- Goods must be permitted under the FTP and must not be prohibited or restricted.

Other Key Points

- Route both legs through the same bank.
- Have confirmed orders from the buyer and on the supplier before the first payment.
- Goods in the CITES or SCOMET lists are not handled. Goods must not touch Indian ports, except transit trade to Nepal or Bhutan.
- An import-leg advance above [USD 200000] needs a standby LC or guarantee.
- Export-leg money received before the import payment is kept in an EEFC or interest-bearing account, earmarked for the import payment.

Purpose codes: P0108 (export leg) and S0108 (import leg).

If an MTT is not completed in time, future MTTs may need a standby LC or guarantee for import advances, and full advance or an irrevocable LC for the export leg.

6.2 Project exports

Project exports cover engineering goods on deferred payment, turnkey projects, civil construction, EPC and consultancy or technical service contracts abroad, as defined in the FTP.

- Inform the Bank before you start, with the contract or Letter of Award and the prescribed application form. Civil construction and turnkey contractors must meet FTP eligibility. Ensure to obtain AD approval before initiating any forex transaction (Inward or Outward). Ensure to submit form DPX I/PEX I/ TCS I.
- Receive and pay as per the contract terms. Realisation follows the contract, not the 9-month rule.
- Report progress to the Bank [half-yearly], and tell it at once about any amendment, suspension or termination of the contract. Ensure to submit form DPX II
- The Bank closes the project file once all receipts, guarantees, overseas accounts and equipment are settled, and you submit a completion report.

7. The Bank’s turnaround times (TAT)

Please submit all required documents by 3:00 PM for same-day processing on a best-effort basis, subject to receipt of complete documentation and fulfilment of the Bank's requirements.

Please note that turnaround times may vary depending on transaction volumes, enhanced due diligence requirements, pending clarifications, regulatory requirements, or any other factors determined by the Bank on a case-by-case basis and at its sole discretion.

8. Documents checklist- Exports and Imports

These lists are indicative. Depending on the transaction, the Bank may ask for more documents or accept other evidence. Submit documents at your branch’s trade desk or through the Bank’s digital channel.

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Export Transactions

A. Basic requirements (One time in nature)
1. KYC of Exporters (As per Bank records during account opening)
2. IEC certificate copy
3. RCMC copy (If applicable)
4. DGFT Status Holder Certificate (if applicable)
5. LEI Copy or LEI Number
6. PAN, GSTIN as applicable
7. Any other License copy as per trade regulations i.e. for restricted goods etc. (If applicable)

B. Advance remittance against export
1. Application form cum disposal letter
2. Any Underlying documents/ Contract / Agreement copy
3. Any other case specific undertaking (if applicable)

C. Export Advance wherein shipment is after three years
1. Application form cum disposal letter
2. Any Underlying documents/ Contract / Agreement copy
3. Any other case specific undertaking (if applicable)
4. Credit/Business opinion report of overseas party

D. Long Term Export Advance
1. Application form cum disposal letter
2. Any Underlying documents/ Contract / Agreement copy
3. Any other case specific undertaking (if applicable)
4. Credit/Business opinion report of overseas party
5. Banks appraisal memo of Exporter

E. Export pre-shipment
1. Application form
2. Underlying documents / confirmed order / LC

F. Lodgement of Export Bills under Collection / Purchase / Discounting / Negotiation (LC / Non-LC)
1. Application form as per Bank standard format
2. Copy of Invoice cum packing list / Commercial Invoice / Customer certified Invoice etc.
3. Copy of Packing list (If applicable)
4. Copy of Transport documents like Bill of Lading, Airway Bill, Railway Receipt, Truck receipt etc.
5. Copy of shipping bill /Softex (as applicable)
6. Copy of Insurance (If applicable)
7. Details of advance received (if any)
8. Original Letter of Credit (If under LC)

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9. Original set of documents for dispatch purpose – as per customer contract or as per LC (Original and copies of documents must be same)
10. Credit/Business opinion report of overseas party (if applicable i.e. for Direct dispatch, Bill value is high etc.)
11. Any other documents deemed fit for due diligence purpose

G. Lodgment of Export bills – non-dispatch case

1. Application form as per Bank standard format
2. Copy of Invoice cum packing list / Commercial Invoice / Customer certified Invoice etc.
3. Copy of Packing list (If applicable)
4. Copy of Transport documents like Bill of Lading, Airway Bill, Railway Receipt, Truck receipt etc.
5. Copy of shipping bill /softex (as applicable)
6. Copy of Insurance (If applicable)
7. Details of advance received (if any)
8. Status Holder Certificate (if applicable)
9. If payment not received, declaration stating expected date of receipt of payment and reason for direct dispatch.
10. Third party declaration (if applicable)
11. Credit/Business opinion report of overseas party
12. Reduction letter/ Write off Letter (if applicable)
13. CA certificate (If applicable)

H. Reduction in Invoice value

1. Request letter in Bank standard format
2. Underlying documents / Contract copy
3. CA certificate as per format (if applicable)

I. Change of buyer/consignee

1. Request letter giving full details of the event and new request
2. Underlying documents / Contract copy with new buyer/consignee
3. Reduction request letter & CA certificate as per format (if applicable)
4. Request to recall of original documents if already dispatched and goods not released. (If applicable)
5. Credit/Business opinion report of overseas party (if applicable)

J. Extensions in due dates

1. Request letter giving full details of the event and new request
2. Underlying documents / Contract copy
3. ETX form
4. CA certificate
5. Undertaking to realise the proceeds within extended period

6. Credit/Business opinion report of overseas party (if applicable)

K. Write Off
1. Request letter in Bank standard format
2. Initial Underlying documents / Contract copy
3. CA certificate as per format (if applicable)
4. Evidence of follow up for realisation of proceeds
5. Copy of court order (if applicable)
6. Copy of any case pending with any organisation for the referred transaction (if applicable)
7. Credit/Business opinion report of overseas party (if applicable)

L. Warehouse approval
1. Request letter giving full details of the event
2. Underlying documents / Contract copy
3. CA certificate
4. Credit/Business opinion report of overseas party
5. Copy of previous Approval Letter – If applied for renewal
6. Details of export under previous approval – (If applicable)

M. Export of goods on lease, hire, etc.
1. Request letter to forward the full sent of documents to the RBI for approval
2. Request letter to RBI with full details of the event
3. Underlying documents / Contract copy
4. Credit/Business opinion report of overseas party
5. Any other supporting documents

N. Set-off/Net off of export receivables against import payables
1. Request letter with full details of export and import transactions
2. Full set of Export and Import Documents along with application forms
3. Contract/Agreement copy signed by both parties for set off
4. CA certificate
5. Credit/Business opinion report of overseas party

O. Agency commission on exports
1. Application form in Bank standard format
2. Underlying documents / Contract copy
3. Copies of Shipping bills against which commission is being paid
4. CA Certificate (Form 145/146 – if applicable)
5. NOC from other Bank if shipping bills were lodged in other Bank

P. Refund of export Bill proceeds
1. Application form in Bank standard format
2. Underlying documents / Contract copy
3. Export bill reference no
4. Undertaking to reimport goods or submit destruction certificate

5. Proof of surrender of incentives to DGFT or certificate issued by DGFT / Custom authorities that no export incentive has been availed
6. CA Certificate (Form145/146 – if applicable)

Q. Refund of the Export advance proceeds
1. Application form in Bank standard format
2. Letter mentioning reason for refund
3. Underlying documents / Contract copy
4. CA certificate
5. A declaration that the advance was not against exports to be made in pursuance of any undertaking given to Import Trade Control authorities regarding fulfilment of export obligations. If advance is received as per above said undertaking, NOC from Import Trade Control authorities for refund of amount is to be obtained.
6. If refund after 3 years from date of receipt - Request letter to the RBI for approval with full details of the event
7. Form145/146, if interest is applicable

R. Closure of Small value Shipping Bills (Equivalent to Rs.10 lakh or less)
1. Application in Bank standard format

S. Realization of Exports/advance from FCA overseas proceeds of exporter
1. Application in Bank standard format
2. FCA statement
3. Related Export / Import Bills (if not lodged in Bank)

Import Transactions

A. Basic requirements (One time in nature):

1. Vintage of Importer / KYC (As per Bank records during account opening)

I. IEC Certificate copy (one time)
II. LEI Copy or LEI Number or declaration
III. Last year's financials (for outward A1/A2 remittances)- Annual requirement

Case specific: -

1. Any other License copy as per trade regulations i.e. for restricted goods etc. (If applicable)
2. Any additional documents as required by bank (case specific)
3. OFAC/FATF declaration

B. Advance remittance against import

1. Application submitted in Banks Standard Format
2. Underlying documents obtained (PI/PO/ any similar documents satisfying import and advance demand)
3. Foreign Bank Guarantee (if applicable)
4. Third party declaration if applicable
5. Credit/Business opinion report of overseas party (for value more than USD 200,000 or equivalent)

C. Direct import Bill

1. Application submitted in Banks Format
2. Invoice Copy with goods description
3. Packing list (If goods description not available in Invoice)
4. Copy of transport documents
5. Bill of entry details/copy
6. Declaration & Documents for Interest payable (If any)
7. Import License copy (If applicable)
8. High Sea Agreement copy (If applicable)
9. Credit/Business opinion report of overseas party (for value more than USD 200,000 or equivalent)

D. Delayed import payment (up to 3 years from date of shipment)

1. Letter explaining the delay reason with interest liability, if any from the customer
2. In case invoices are more than 1 year old and less than 3 years then additional CA /KMP letter will be required that confirms the Delay Reason, Interest Liability and outstanding in books of account confirmation
3. Form TC

E. Import Collection Bills (LC /Non-LC)

1. Application form for handling Import Bills
2. Acceptance Letter for Usance Bills
3. Bill of entry for Usance Bills
4. Import License copy (If applicable)

F. LC Issuance/Amendment

1. LC Application form
2. Performa Invoice/Purchase Order/Contract Copy
3. Insurance Policy if applicable
4. Beneficiary acceptance in case of detrimental amendments
5. Credit/Business opinion report of overseas party (for value more than USD 200,000 or equivalent)

G. Buyers Credit:

1. Application form
2. Invoice Copy with goods description
3. Packing list (If goods description not available in Invoice)
4. Copy of transport documents
5. Bill of entry details/copy
6. License copy (If applicable)
7. High Sea Agreement copy (If applicable)
8. GRN form as applicable
9. Accepted offer letter from Financing Bank
10. Draft of SBLC
11. Form TC

H. Small Value Bill of entry closure (equivalent to ₹10 lakh or less)

1. Application in Bank's standard format

I. Documents required for Bank Guarantees (Inland & Foreign)

1. Application form in Bank's Format
2. Financial document (if applicable)
3. Application for FD backed facilities in Bank's Format BG Text
4. Letter of Acceptance (LOA)/ Work Order (WO)/ underlying documents, if any
5. Any additional documents as required by bank
6. GRN form as applicable

J. Documents Required for processing Inward remittance

1. Disposal Instructions
2. Underlying documents like agreements, invoice, transport document etc based on the purpose code of the payment (if applicable)
3. Swift Copy (pacs.008 message)
4. CA certificate (if applicable)
5. Any additional documents as required by bank

K. Documents required for processing Outward remittance

1. Application cum A2 form in Bank's Format
2. Underlying documents like invoice or agreements,
3. Form 145/146 as applicable
4. CA certificate (if applicable)
5. Any additional documents as required by bank basis purpose code.

8 Requests (Exports, Imports and MTT)

Request	Documents
Extension	Request with reasons; buyer/supplier correspondence; bill details; declaration that no ED/CBI/DRI enquiry is pending (or NOC from the agency)
Reduction / write-off	Up to ₹10 lakh: declaration in the Bank's format. Above: reasons with evidence; no-enquiry declaration; surrender of export incentives (exports)
Third-party receipt / payment	Request naming the third party and its relationship; tripartite agreement or EDF/invoice/BoE showing the third party
Set-off	Request; set-off agreement; group/associate proof; export and import documents; NOC if the entry is tagged to another bank
Refund of export proceeds / advance	Request with reasons; surrender of incentives; NOC from the bank that received the money
Closure of import advance (import not materialised)	Request; contract; supplier correspondence; demand letter; recovery evidence; declaration that no import took place
High sea sale	HSS agreement; Bill of Entry showing the HSS; standard import documents
Replacement import	Proof of loss or damage; insurance claim settlement; replacement invoice
Small-value closure (up to ₹10 lakh)	Undertaking in the Bank's format with a transaction list (BoE or Shipping Bill number, date, invoice, amount, payment reference)
MTT payment or receipt	Request; MTT declaration; purchase and sale contracts; invoices; transport document showing ports outside India; third-party proof if any
MTT loss / cancellation	Reasons; revised contracts or correspondence; debit/credit notes; refund proof; CA certificate

9. Missed deadlines, restrictions and your responsibilities

9.1 If you miss a deadline

What happens	Consequence
Export proceeds unpaid more than 1 year after the due date	Further exports to that buyer only against full advance or an irrevocable LC

What happens	Consequence
Import advance not used and not refunded in time	Every future import advance needs a standby LC or guarantee
MTT not completed in time	Future MTTs may need a standby LC/guarantee and full advance or an irrevocable LC
On RBI's exporters' Caution List	Exports only against full advance or an irrevocable LC until removed from the list
Entries left open in EDPMS / IDPMS	The Bank sends reminders. Unresolved entries can affect future transactions and draw regulatory attention.

9.2 What the Bank cannot handle

- Prohibited goods, or restricted goods without a valid license
- Advance payments for gold or silver (except through IIBX by eligible entities)
- Transactions linked to sanctioned countries, entities or individuals
- Accommodation trades, or transactions that are not genuine
- Transactions under investigation by ED, CBI, DRI or another agency.

9.3 Your responsibilities

- Give true, complete documents and declarations.
- Submit export documents within the Bank's time limit and service EDFs within 30 days from the end of the invoice month.
- Make sure export proceeds arrive in time, or ask for an extension before the due date.
- Submit the Bill of Entry or other evidence of import after every import.
- Get the import advance back if the import does not happen.
- Declare any third party in the EDF, invoice or Bill of Entry.
- Inform both banks if you change your bank.
- Reply to the Bank's reminders on pending entries.
- Keep KYC, IEC and LEI details up to date.
- Surrender proportionate export incentives when export value is reduced or written off.

9.4 Charges

- SBM Bank (India) Ltd service charges for trade and forex transactions are published on SBM Bank Website – Link : https://www.sbm.bank.in/pdf/Schedule-of-charges.pdf
- Charges are reasonable and proportionate to the service (. GST and out-of-pocket costs (SWIFT, courier, correspondent bank charges) are extra.

- Information relating to Daily Fx Card rates, charges, documentation requirements and other applicable terms and conditions for cross-border foreign exchange

transactions and services of member banks is available on the website of the Foreign Exchange Dealers' Association of India (FEDAI). Customers may access the relevant information through the Member Banks Information Hub

10. Frequently Asked Questions (FAQs):

Do I need to approach RBI for an extension, reduction or write-off?

Ans: No. The Bank decides these requests under the 2026 Regulations.

My buyer has not paid on time. What should I do?

Ans: Ask the Bank for an extension before the due date, with reasons and buyer correspondence.

My buyer paid less than the invoice value.

Ans: Request a reduction with reasons and evidence. If the Shipping Bill or invoice is up to ₹10 lakh, your declaration is enough.

Can someone other than my buyer pay me, or can I pay someone other than my supplier?

Ans: Yes, if the Bank is satisfied the arrangement is genuine. Show the third party in the EDF, invoice or Bill of Entry, or give a tripartite agreement.

Can I net my export receivable against an import payable with the same party?

Ans: Yes, if it is the same overseas party or its group or associate company, and the set-off is done within the export realisation period. (Goods against Goods)

Do I need an EDF for software sent online?

Ans: Yes. Online delivery of software is an export.

I am sending free samples or replacements. Do I need a waiver?

Ans: No. Declare them with nil value.(NFEI)

My invoice is in Indian Rupees. How long do I have to get paid?

Ans: 12 months, instead of the usual 9.

Do I need a guarantee for an import advance?

Ans: Only above [Bank Name]'s threshold ([USD 200000] goods / [USD 200000] services), or if an earlier advance was not refunded or used in time.

Can I pay an advance for gold or silver imports?

Ans: No, except through IIBX by eligible entities.

11 Grievance and appeal

Link :https://www.sbm.bank.in/notice-board/grievance-redressal-mechanism

Disclaimer

This document provides a general overview of the Bank's approach to processing export and import transactions. All requests are subject to the Bank's due diligence, case-specific evaluation and applicable regulatory requirements. Document submissions and processing timelines may vary depending on transaction complexity, internal assessments and prevailing regulations. KYC, sanctions screening and regulatory compliance checks form an essential part of every transaction. The content may be updated periodically to reflect regulatory, policy and operational changes.