



CUSTOMER GUIDE

Export & Import of Goods and Services & Merchanting Trade Transactions

Main features of the Bank's SOP under
FEMA 23(R)/2026-RB



Effective
01.10.2026



About this guide

This guide explains, in simple steps, how State Bank of India (SBI) handles your export, import and merchanting trade transactions from 01.10.2026.

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How to read the flow charts: gold boxes are steps you (or your overseas party) take; blue boxes are steps the Bank takes; green tags show the time limit or the Bank's TAT.

1 Key time limits at a glance

Item	Time limit / rule
Export (goods) documents to the Bank	Within 21 days from the date of export
EDF for services / software	Within 30 days from the end of the month in which the invoice is raised
Realisation - goods	9 months from date of shipment
Realisation - services	9 months from date of invoice
Realisation - goods sent to warehouse abroad	9 months from date of sale from the warehouse
Realisation - project exports	As per the payment terms of the contract
Realisation - invoiced / settled in INR	12 months
Shipment against export advance	Within 3 years of the advance (long-term supply contracts: up to 10 years)
Payment for imports	Within the contract period agreed with the supplier
Import advance - guarantee needed	Goods: above USD 1 million; Services: above USD 5,00,000 (includes advances already outstanding)
MTT - gap between the two payments	Not more than 6 months
MTT - whole transaction	Within 9 months from start
Small value closure	Shipping Bill / Bill of Entry / invoice up to ₹10 lakh: closed on your declaration

Extensions are possible on request with reasons. See Sections 4.5, 5.5 and 6.

2 Before you start

You need	Details
An account with SBI	Current account at an authorised branch. KYC must be up to date.
IEC	Importer-Exporter Code from DGFT, active on ICEGATE.
LEI	Legal Entity Identifier, where required by RBI.
PAN	Permanent Account Number
Permitted goods / services	Goods and services must be allowed under the Foreign Trade Policy. Restricted items need a DGFT licence / authorisation.
Request letter	Request letter in Bank's standard format with FEMA declarations, signed by you.
One bank per transaction	Route the advance and the final payment through the same bank. If you change banks, obtain consent of both banks.

Tip: Give complete and correct documents in one go. The TAT starts only from receipt of the complete set.

3 Common rules for all transactions

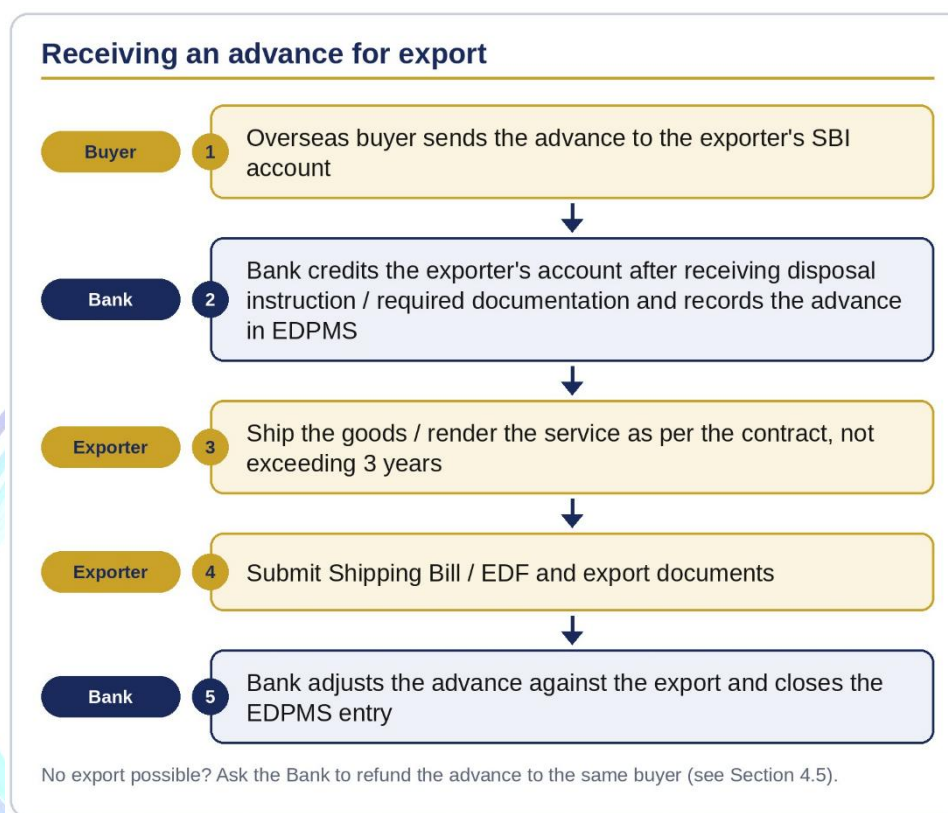
- The Bank credits or debits your account only after checking that the transaction is genuine.
- Every export and import is recorded by the Bank in RBI's systems (EDPMS for exports, IDPMS for imports).
- Payments must come from / go to the overseas buyer or supplier. Payment by another party (third party) is possible with proof of the arrangement along with declaration in the EDF/Bill of entry.
- Settlement in Indian Rupees is allowed through Special Rupee Vostro Accounts (SRVA).
- Interest on export advances or on delayed import payments cannot exceed the limit set by RBI for trade credit.
- The Bank decides extension, reduction and closure requests itself. You do not need to approach RBI.
- The Bank may ask for more documents based on the transaction.
- If the Bank declines a request, it will tell you in writing with the reason.
- No penalty or penal charge is levied on you for a regulatory delay.

Which section applies to you?

If you...	See
Receive remittance from abroad for goods or services you exported	Section 4 - Exports
are executing a project / construction / consultancy contract abroad	Section 4.6 - Project exports
pay abroad for goods or services you imported	Section 5 - Imports
buy from one overseas party and sell to another, without the goods coming to India	Section 6 - MTT
want to know the time the Bank will take	Section 9 - TAT
want the list of documents	Annex 1, 2 and 3
are not happy with a decision of the Bank	Section 10 - Grievance and appeal

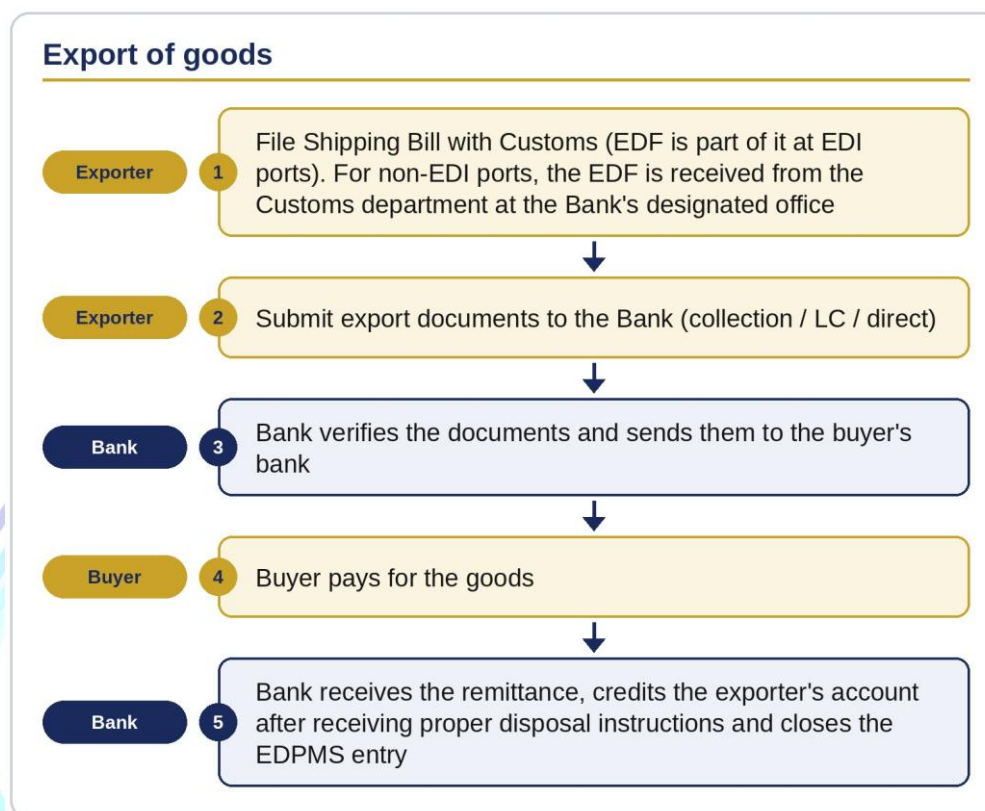
4 Exports

4.1 Receiving an export advance remittance



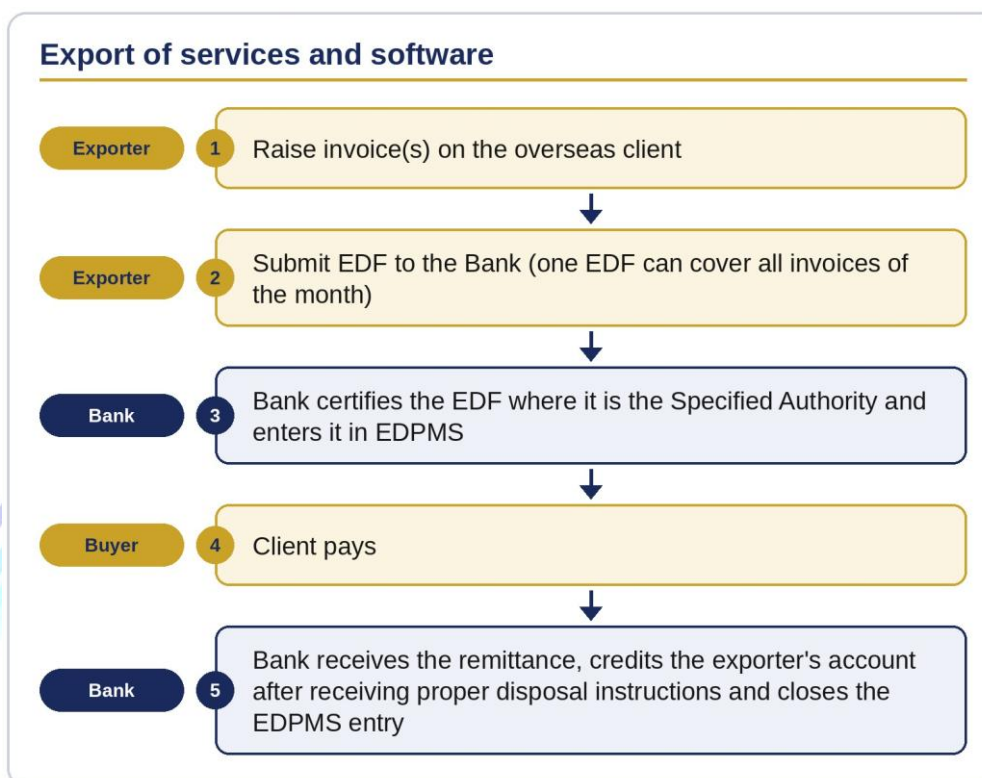
- Share with your buyer: your account details and the SBI SWIFT code.
- Tell the Bank the purpose of the remittance (advance for export) so the correct purpose code is used.
- If goods are not shipped, the advance can be refunded only to the buyer who sent it.

4.2 Export of goods



- Documents can be sent on collection (D/P or D/A), under a Letter of Credit, or directly to the buyer where eligible.
- Goods sent free (samples, replacement, repair): file the EDF / Shipping Bill with nil value. No separate waiver from the Bank is given.

4.3 Export of services and software



- Software sent online (downloads, cloud, digital delivery) is also an export. An EDF is needed.
- Give proof that the service was provided (delivery / milestone / usage record).

4.4 Getting your export proceeds

- The Bank credits your account on the same day or next working day upon receipts of funds in nostro account after receiving disposal instruction/required documentation.
- The Bank updates your EDPMS entry, and issues FIRC if required with the consent of both banks.
- Invoice / Shipping Bill up to ₹10 lakh: give a simple declaration (single or quarterly bulk) that the remittance is received mentioning details of the remittance, fully or partly. The entry is closed on this basis.
- If the remittance from a buyer is pending for more than one year from the due date/extended date, further exports to that buyer can be made only against full advance or an irrevocable LC. A declaration on the position of pending advances across all the banks shall be given in this regard.

4.5 Requests you can make (Exports)

Request	When	What to give	TAT*
Extension of realisation period	Before the due date	Reasons; buyer correspondence; bill details	T+2
Reduction in invoice value / non-realisation	When full value will not be received	Reasons with evidence (declaration if up to ₹10 lakh); surrender of export incentives where needed	T+5 to T+7
Set-off against import payables	Within the realisation period	Proof of both export and import with the same party / its group; net amount working	2-5 days
Payment by a third party	Before receipt	Tripartite agreement or other proof; third party shown in EDF	2-5 days
Change of buyer / consignee	As soon as known	Reasons; new order; amended documents	2-5 days
Refund of unused advance / closure of advance entry	When export will not happen	Reasons with evidence; refund details	T+5
Late submission of services EDF	With the EDF	Reasons for delay	2 days
Change of bank	Before routing	Consent received from both banks	2-5 days

* Working days from receipt of complete documents. Where a higher-level approval is needed, add 2-5 working days.

4.6 Project exports

- Covers supply on deferred payment, turnkey projects, civil construction and consultancy / technical service contracts abroad.
- Apply with the contract / letter of award and the prescribed application form (DPX 1 / PEX 1 / TCS 1). Civil construction and turnkey contractors must be on the approved list under the Foreign Trade Policy.
- Payments are received as per the contract terms.
- Surplus funds abroad can be kept only in short-term instruments (up to 1 year), T-bills or bank deposits.
- Give half-yearly progress reports and a completion report. The Bank closes the file after all items (receipts, guarantees, accounts abroad, equipment) are settled.

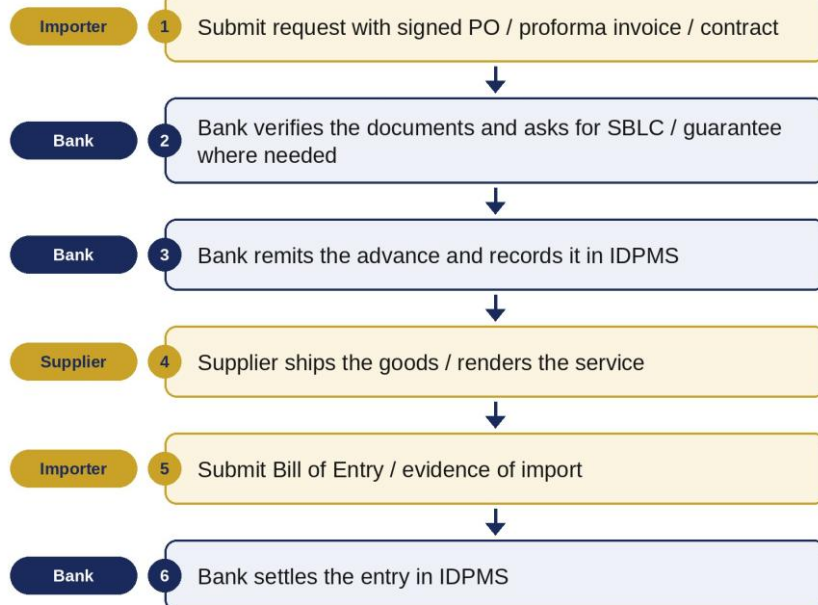
4.7 Special cases

Case	Key point
Warehouse abroad	Realisation within 9 months of sale from warehouse.
Deemed exports	No EDF. Payment is reported under the correct purpose code.
Consignment exports	Give Account Sales from the consignee/Buyer.
Trade fair / exhibition	Report sale or re-import of unsold goods. Bill of Entry within one month of re-import.
Export on lease / hire	Needs prior Bank approval.
SEZ / EOU	Tell the Bank the direction of movement. The document and purpose code depend on it.
Export factoring	Available as per the Bank's Factoring Policy.

5 Imports

5.1 Paying an advance for import

Paying an advance for import

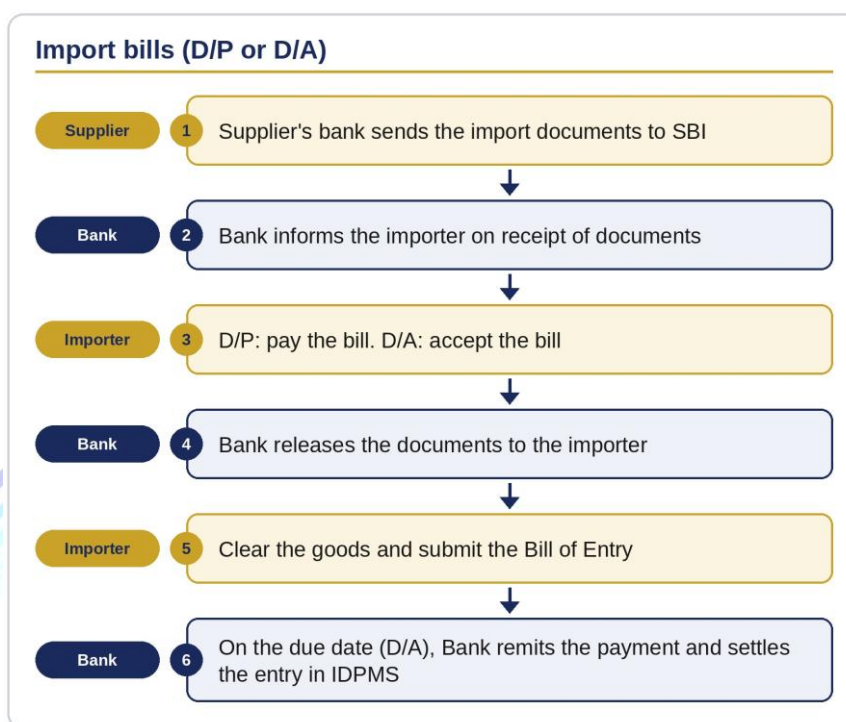


Import not done? Get the advance back from the supplier (see Section 5.5).

Advance amount (including advances already outstanding)	What is needed
Goods up to USD 1 million; Services up to USD 5,00,000	Signed contract / PO / proforma invoice
Above these limits	Standby LC or guarantee from an international bank of repute (the Bank may consider a waiver in some cases, subject to conditions)
Aircraft, helicopters, ships above USD 50 million	Standby LC / guarantee always, plus approval of the Ministry concerned
Earlier advance not refunded / import entry not closed within the contract period	Future advances only against Standby LC / guarantee (Reg. 12(2))
Gold and silver	No advance, except through IIBX by entities notified by IFSCA (Reg. 11)

- The Bank may obtain a credit report on the overseas supplier before sending an advance.
- The PO / proforma invoice must be current and signed/acknowledged by both parties on the date of remittance.

5.2 Import bills (D/P or D/A)

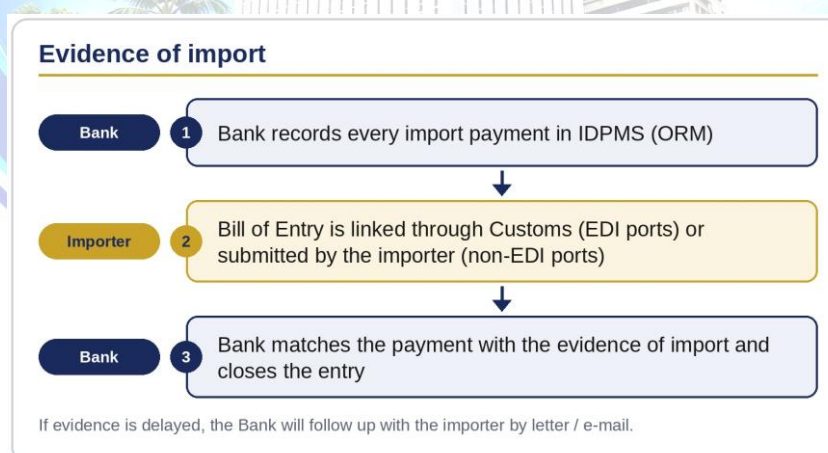


- Early payment of a usance bill: interest for the unused period is deducted.

5.3 Direct payment for imports

- If the supplier sent documents directly to you, the Bank may permit payment in eligible cases (for example, up to USD 3,00,000, or for limited companies, PSUs, 100 % EOUs, SEZ units, Status Holders).

5.4 Evidence of import



- Imports by post / courier: give the postal / courier Bill of Entry or assessment document.
- Bill of Entry up to ₹10 lakh: the entry can be closed on your declaration mentioning the details of the payment made.

5.5 Requests you can make (Imports)

Request	When	What to give	TAT*
Extension of time for payment / import	Before the contract period ends	Reasons; revised contract or supplier correspondence	T+2
Reduction in import value	When paid value differs from Bill of Entry	Up to ₹10 lakh: declaration. Above: evidence (short shipment, quality issue, destruction, etc.)	T+5 to T+7
Closure of advance entry (no import; no repatriation possible)	After all recovery efforts	Request with reasons; declaration; evidence (e.g., liquidation, sanctions)	5 days
Payment to a third party	Before payment	Third party named in Bill of Entry / invoice, or tripartite agreement	2-5 days
Set-off against export receivables	Within export realisation period	Proof of both trades with same party / group; net working	2-5 days
IDPMS statement / confirmation	Any time	Written request	2 days
Change of bank	Before routing	Consent from both banks	2-5 days

* Working days from receipt of complete documents. Where a higher-level approval is needed, add 2-5 working days.

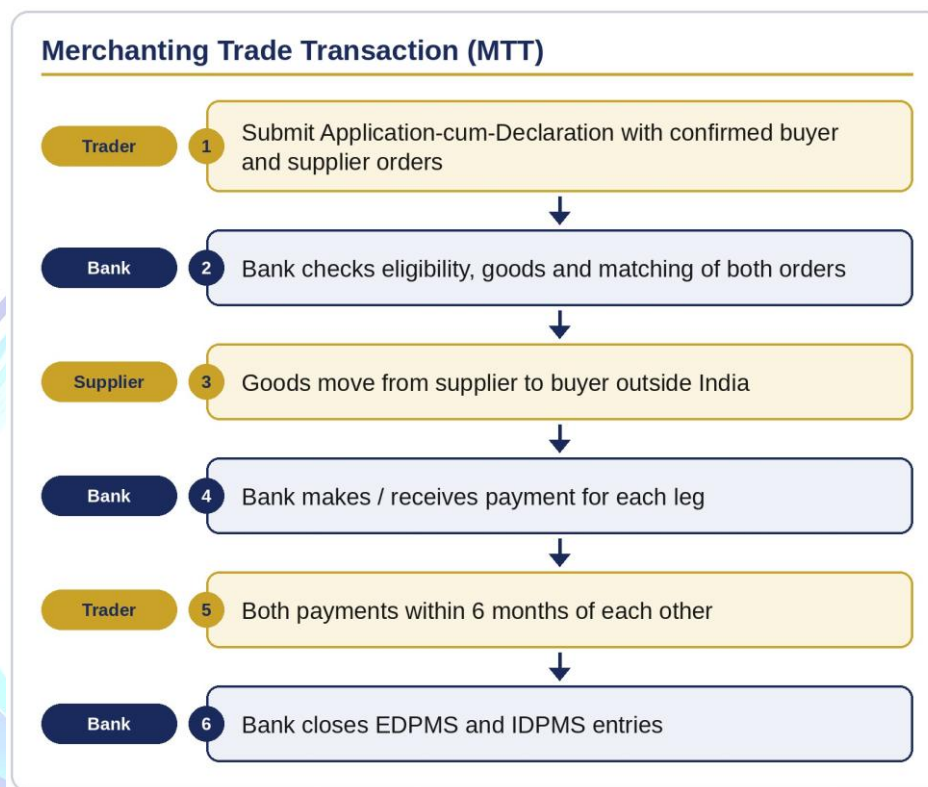
5.6 Special imports

Case	Key point
Gold, precious metals, diamonds, precious stones	Credit period up to 90 days from shipment. Clean credit for diamonds up to 180 days.
Import of services / software	No Bill of Entry. Give a Chartered Accountant's certificate in the case of software/data/design/drawings import
Replacement import	Proof of loss / damage and settlement of insurance claim.
Payment through Payment Aggregator (PA-CB)	Only through RBI-authorised PA-CBs within their limits.
Imports from ACU countries	Settled through the Asian Clearing Union route where applicable.
Import factoring	Available as per the Bank's Factoring Policy.

6

Merchanting Trade Transactions (MTT)

An MTT is when you buy goods from an overseas supplier and sell them to an overseas buyer, and the goods go directly from the supplier to the buyer without touching any Indian port.



6.1 Conditions

- You must be a genuine trader of goods, with an account at an authorised SBI branch.
- Confirmed orders from the buyer and on the supplier must be in place before the first payment.
- Goods must be permitted under the Foreign Trade Policy. Goods in the CITES or SCOMET lists are not allowed.
- Goods must not touch Indian ports (except transit trade to Nepal / Bhutan).
- Both legs (export and import) must go through the same bank.
- Remittance is received only from the buyer and paid only to the supplier. Third-party payment is possible with proof and approval.
- Import advance above USD 5,00,000 needs a Standby LC / guarantee.
- Export-leg remittance received before the import payment is kept in an EEFC / interest-bearing account, marked for the import payment.

6.2 Requests you can make (MTT)

Request	What to give	TAT*
Extension of 6-month / 9-month period	Written request with reasons; buyer / supplier correspondence; revised schedule	3-5 days
Third-party receipt / payment	Written request; tripartite agreement or proof of relationship	3 days
Reduction / closure of unpaid export leg	Evidence: buyer insolvency, goods auctioned / destroyed, or settlement through Indian Mission / Chamber	3-5 days
Acceptance of a loss	Request; CA certificate; reasons	5 days
Cancellation of MTT	Proof that both contracts are cancelled; refund confirmation	3 days

* Working days from receipt of complete documents.

Please note: if an MTT is not completed within the time allowed, future MTTs will need a Standby LC / guarantee (for import advance) and full advance or an irrevocable LC (for the export leg).

7 Your responsibilities

- Give true and complete documents and declarations.
- Submit export documents within 21 days of export in the case goods, and in case of services EDF within 30 days from the end of the invoice month.
- Ensure export remittance is received within the time allowed or ask for an extension before the due date.
- Submit the Bill of Entry / Evidence of Import after every import.
- Get the import advance back if the import does not take place.
- Declare any third-party payer in the EDF / invoice.
- Get the consent from both banks if you change your bank.
- Reply to the Bank's reminders on pending entries.
- Keep KYC, IEC and LEI details updated.

8 Service charges

- The Bank's service charges for export, import and other forex transactions are on the Bank's website: [Service Charges](#).
- Charges are reasonable and in proportion to the service. GST and out-of-pocket expenses (SWIFT, courier, correspondent bank charges) are extra.
- No penalty or penal charge is levied for any regulatory delay.

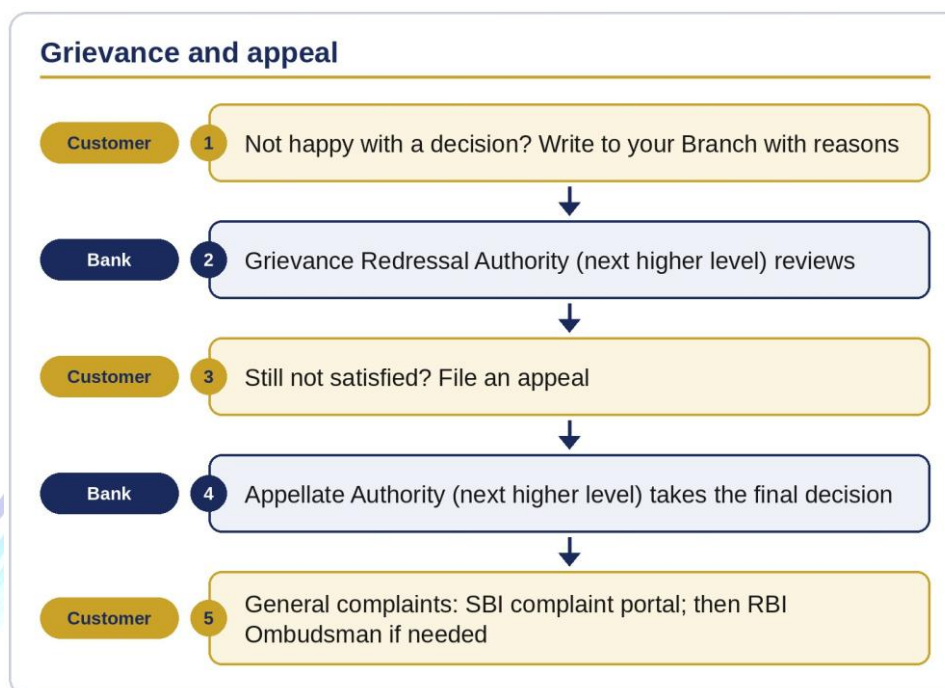
9 Turnaround time (TAT)

T = day of receipt of complete and correct documents. Counted in working days. Time taken by you, overseas banks, Customs, DGFT or other agencies is not included.

Service	TAT
Exports	
Scrutiny of export documents	T+1
EDF certification (services / software)	T+1
Dispatch of collection documents	T+1
Credit of export remittance	Same day where the documentation is complete and the remittance is received before the cut-off, subject to credit in nostro otherwise T+1
Issue of FIRC	T+1 of realisation
Recording export advance in EDPMS	T+1
Extension request	T+2
Reduction / closure request	T+5 to T+7
Refund of unused advance	T+5
Imports	
Advance remittance - up to USD 1 million	T+1
Advance remittance - above USD 1 million	T+2
Sight bill (D/P) payment	T+1
Usance bill (D/A) acceptance	T+1
Direct bill payment	T+1
Extension request	T+2
Reduction / IDPMS closure	T+5 to T+7
Payment without Bill of Entry (approval)	3 to 5 days
Closure of advance entry	5 days
IDPMS statement on request	2 days
Informing you of any missing document	T+1
MTT	
Acknowledgement of application	1 day
Eligibility check	2 days
Matching of orders	1 day
Document verification	1 day

Service	TAT
Payment / receipt per leg	2 days
Extension	3 to 5 days
Third-party request	3 days
Reduction of unpaid export leg	3 to 5 days
Loss acceptance	5 days
Cancellation	3 days
Closure of EDPMS / IDPMS after both legs	Same day if received before 3 PM, else next working day
Approvals and grievances	
Where a higher-level approval is needed	2 to 5 working days extra
Grievance decision	10 working days
Appeal decision	15 working days

10 Grievance and appeal



Level	Who	Time
1. Grievance	Grievance Redressal Authority - the next higher authority above the one who took the decision	10 working days
2. Appeal	Appellate Authority - the next higher authority above the Grievance Redressal Authority. Final decision based on the genuineness of your submission.	15 working days

- Submit your grievance at the branch handling your transaction, or online at the [SBI Website](#).
- Mention your transaction reference, the decision you are not satisfied with, and your reasons with documents.

11 Frequently asked questions

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

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

Q. My buyer paid less than the invoice value.

A. Request a reduction with reasons and evidence. Up to ₹10 lakh, a declaration along with details of the remittance is enough.

Q. I have many small invoices. Do I need to submit proof for each?

A. No. For invoices / Shipping Bills up to ₹10 lakh, give a declaration along with details of the remittance - single or quarterly bulk.

Q. Can someone other than my buyer pay me?

A. Yes, with a tripartite agreement or other proof. The third party must be shown in the EDF.

Q. Do I need an EDF for software sent online?

A. Yes. Online delivery of software is an export.

Q. I am sending free samples. Do I need a waiver?

A. No. File the EDF / Shipping Bill with nil value.

Q. My import advance is for goods is above USD 1 million. What is needed?

A. A Standby LC / guarantee from an international bank of repute. The Bank may consider a waiver in some cases.

Q. Will I be charged a penalty for delay?

A. No. No penal charges are levied for regulatory delay. Normal service charges apply.

Q. Can I change my bank for a transaction?

A. Yes. Inform both banks. Your pending entries will be transferred.

Q. Can MTT goods come through an Indian port?

A. No, except transit trade to Nepal / Bhutan.

Q. Do I need to approach RBI for extension or reduction?

A. No. The Bank decides these requests.

12

Words used in this guide

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
EDPMS / IDPMS	RBI systems that record exports / imports
FIRC	Foreign Inward Remittance Certificate
IEC	Importer-Exporter Code issued by DGFT
LEI	Legal Entity Identifier
ORM	Outward Remittance Message - record of an import payment in IDPMS
SBLC	Standby Letter of Credit
SRVA	Special Rupee Vostro Account - for trade settled in INR
T+1	One working day after receipt of complete documents
Third party	A person other than the buyer / supplier who pays or receives remittance

A1 Annex 1 - Document checklist: Exports

Basic documents

Export of goods	Export of services / software
- Request letter in Bank's standard format with FEMA declarations - Commercial invoice - Packing list - Transport document (B/L, AWB, etc.) - Shipping Bill - Bill of exchange (collection / LC, where needed)	- Request letter in Bank's standard format with FEMA declarations - Service agreement / statement of work - Invoice(s) - EDF - Proof that service was provided

Additional case specific documents

Case	Additional documents
Export advance	Export contract / firm order; inward remittance advice
Collection (D/P, D/A)	Collection instruction; certificate of origin / inspection certificate, if needed
Under Letter of Credit	LC and amendments; documents required by the LC
Direct dispatch	Contract / order; copy of transport document; proof of eligibility
Small value closure (up to ₹10 lakh)	Declaration in Bank's format
Extension	Reasons; buyer correspondence; bill details
Reduction / non-realisation	Reasons; evidence (insolvency, destruction, settlement letter, etc.)
Third-party receipt	Tripartite agreement or other proof; EDF showing the details of third party
Change of buyer	Reasons; new contract / order; amended transport documents
Set-off	Proof of both trades; group / associate relationship proof; net working
Refund / closure of advance	Reasons; evidence; refund details
Project export	Contract with payment and milestone terms; project guarantees; application form
SEZ / EOU	Bill of Export / Shipping Bill; SEZ / EOU approval

A2 Annex 2 - Document checklist: Imports

Basic documents

- Request letter in Bank's standard format with FEMA declarations
- Commercial invoice
- Transport document (goods)
- Bill of Entry (or declaration where no BoE arises)
- Bill of exchange (D/A)
- Chartered Accountant's certificate or proof of delivery (for non-physical imports as: software/ data/ drawing/design)
- Copy of underlying (Proforma) Invoice / Contract or Agreement and Purchase Order (as applicable) with clear advance payment terms (In case of advance remittance)

Additional case specific documents

Case	Additional documents/data
Advance remittance	Copy of underlying (Proforma) Invoice / Contract or Agreement and Purchase Order (as applicable) with clear advance payment terms (In case of advance remittance); expected date of import to be declared; SBLC / guarantee where needed
Direct bill	Proof of eligibility; undertaking to submit Bill of Entry if goods in transit
Third-party payment	Bill of Entry carrying the name of the third party; The invoice mentioning that the related payment is to be made to the named third party or tripartite agreement or other documentary evidence of the arrangement;
Deferred payment / trade credit	Credit agreement; nature of goods (capital / non-capital)
Extension	Reasons; revised contract / supplier correspondence
Evidence in lieu of Bill of Entry	CEO / auditor certificate (eligible companies only)
Non-physical import (software, data, design)	Agreement / licence; invoice; CA certificate of receipt
Reduction in import value	Up to ₹10 lakh: declaration. Above: evidence of reason
Closure of advance entry	Request; declaration that no import took place; the ground-specific evidence

Case	Additional documents/data
Payment without Bill of Entry	Proof of shipment; purchase order; undertaking
Replacement import	Survey / short-landing report; insurance claim settlement; replacement invoice
Gold / silver through IIBX	IFSCA status; IIBX letter; contract; Bill of Entry after import
Import factoring	Factoring agreement; notice of assignment; invoice; transport document; Bill of Entry

A3 Annex 3 - Document checklist: MTT

Basic documents

- Request letter in Bank's standard format
- Application-cum-Declaration (MTT-F-01)
- Export leg: purchase order / proforma invoice / commercial invoice / contract from the buyer
- Import leg: purchase order / proforma invoice / commercial invoice from the supplier
- Matching sheet linking both orders (MTT-F-02)
- Transport document (B/L / AWB) showing ports outside India

Additional case specific documents

Case	Additional documents
Import advance above USD 5,00,000	SBLC / guarantee from an international bank of repute
Extension	Reasons; correspondence; revised schedule
Third-party receipt / payment	Written request; tripartite agreement or relationship proof
Processing / value addition abroad	Proof of processing; quantity reconciliation
Short realisation/non-realisation	Written request; Chartered Accountant's certificate justifying the short realisation; debit or credit note; revised contracts or invoices, if any; documentary evidence of the ground relied on
Change of overseas buyer or supplier (third party)	Written request; tripartite agreement or other documentary evidence of the relationship or basis; modification of the earlier contracts or the fresh contract; correspondence and proof of refund, where applicable; opinion report on the new buyer or supplier

Case	Additional documents
Loss in MTT	CA certificate; reasons: evidence of the cause relied on
Cancellation	Request for cancellation, Proof of Cancellation of both contracts; refund confirmation where applicable
Nepal / Bhutan transit	Customs Transit Declaration

Disclaimer

This guide gives the main features of the Bank's SOPs in simple language. It is not legal advice. In case of any difference, the Foreign Exchange Management Act, 1999, the Regulations and RBI Directions will prevail. The Bank may ask for additional documents depending on the transaction. The guide is subject to regulatory changes.

