

Sr. No.	Issue	Comments
1	<p>Remittance by Proprietor/Partner's Account and Company Account</p> <p>In developing countries with underdeveloped banking systems, buyers often make payments in different currencies via personal or partner accounts, which Indian banks do not recognize. This creates complications in account reconciliation and closure, becoming a significant problem for consignors.</p>	<p>1. Exports proceeds can be realised and repatriated in Indian Rupees (INR) or any foreign currency, as per extant FEMA provisions.</p> <p>2. Payments from third party is also permitted subject to fulfillment of certain conditions.</p> <p>3. The banking system undertakes necessary due diligence for cross-border remittances due to KYC/AML/CFT concerns. However, please share specific issues which require examination from policy perspective.</p>
2	<p>Transactions Involving War Zone Countries</p> <p>In countries where banking systems have been non-functional for over a decade due to war, buyers route payments through neighbouring countries like UAE or Jordan. However, banks often refuse to issue the Bank Realization Certificate (BRC) in such cases, leaving these matters unresolved.</p>	<p>As stated, the payments are received but BRC is not generated. What are the reasons cited by banks for non-generation of BRC? Please let us know so that it can be examined.</p>

Sr. No.	Issue	Comments
3	<p>Short Payments Received from Buyers</p> <p>When buyers send payments, transfer charges deducted by banks often lead to discrepancies between the shipping bill amount and payment receipt. Even minor differences of \$10–\$100 result in customs notices, requiring exporters to submit extensive documentation, incurring additional costs and time.</p>	<p>As per extant FEMA provisions, reduction in invoice value, write-off is permitted, subject to certain conditions. The realisation data is shared with Customs' system ICEGATE electronically.</p> <p>As regard notices from Customs, you have to approach appropriate authority as this is not in the domain of RBI.</p>
4	<p>Sample Invoices</p> <p>Exporting samples, often free of cost or of negligible value, usually incurs significant courier charges. Banks and authorities frequently misclassify these transactions, leading to unnecessary procedural delays despite their non-commercial nature.</p>	<p>There is clear FEMA provision related to handling export of free samples.</p> <p>Please elaborate your statement "banks and authorities frequently misclassify these transactions" and also cite few examples for better understanding.</p>
5	<p>Lost/Damaged/Rejected Goods and Write-Off Cases</p> <p>Exporters suffer significant financial losses due to sudden regulatory changes, bans, or government restrictions.</p> <p>Example: During the first lockdown, hand sanitizer exports were banned</p>	<p>Policy on export and import is not in RBI domain.</p> <p>If any payment related issues are encountered, then please highlight the issues which need policy level intervention.</p>

Sr. No.	Issue	Comments
	<p>twice. Later, exports were allowed but without pumps, leading to logistical challenges, additional costs, and financial losses for exporters who could not honor confirmed orders. Such policy fluctuations place undue financial burdens on exporters.</p>	
6	<p>Delay in Issuing BRC and Data Upload on DGFT/RBI Websites</p> <p>Despite timely submission of required documents, banks frequently delay uploading BRC data on DGFT and RBI portals, causing exporters to incur penalties for no fault of their own.</p>	<p>What are the reasons cited by banks for the delay? Please let us know so that it can be examined.</p>
7	<p>General Practices of Banks</p> <p>Many private banks operate centralized systems that are overburdened. This results in a focus on recent cases, while older cases remain unresolved. The delays lead to exporters breaching prescribed time limits, often incurring penalties.</p> <p>It is therefore requested that appropriate steps/clarification may be issued for addressing exporter and importers so that the smooth functioning of export operations.</p>	<p>There is constant follow-up both at AD bank and RBI level on outstanding bills, however, specific instances may be highlighted to the AD banks as per their respective customer grievance redressal matrix.</p>