IndusInd Bank

Comprehensive Policy Framework for Cross-Border Transactions, Trade Finance and Foreign Exchange Services

Version: 1.0

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This Policy Framework establishes the operating principles, product guidelines, documentation standards, regulatory requirements, service commitments, and risk management controls governing cross-border transactions facilitated by IndusInd Bank.

A. Cross Border Remittances - Current Account Transactions: Current Account Transactions refer to all foreign exchange transactions other than Capital Account Transactions. These transactions do not result in any alteration of assets or liabilities outside India of a person resident in India, or assets or liabilities in India of a person resident outside India and are governed by the provisions of the Foreign Exchange Management Act (FEMA), 1999 and related regulatory directions.

- **Outward Remittances:** Outward remittances involve the transfer of funds from India to a beneficiary located outside India for legitimate and permissible purposes under FEMA, 1999 and the regulatory framework prescribed by the Reserve Bank of India (RBI). Such remittances may include payments for imports, services, travel, education, investments, and other approved current account transactions.
- **Inward Remittances:** Inward remittances refer to the receipt of foreign exchange in India from overseas through authorized banking channels. These receipts may arise from exports, services, investments, family maintenance, gifts, or other permissible transactions and are subject to applicable FEMA and RBI regulations.
  All inward and outward remittance transactions shall be processed in accordance with the prevailing FEMA provisions, RBI Master Directions, exchange control regulations, and the Bank's internal compliance and due diligence requirements.

B. **Cross Broder Remittances - Capital Account Transactions:** Capital Account Transactions refer to transactions that result in a change in the assets or liabilities, including contingent liabilities, of a person resident in India outside India, or the assets or liabilities in India of a person resident outside India. Such transactions are governed by the provisions of the Foreign Exchange Management Act (FEMA), 1999, and the regulations, directions, and guidelines issued by the Reserve Bank of India (RBI) from time to time.

- **Foreign Direct Investment (FDI):** Foreign Direct Investment (FDI) is an investment made by a firm or individual outside India into business interests located in India. Generally, FDI takes place when an investor (located outside India) establishes Indian business operations or acquires Indian business assets, including establishing ownership or controlling interest in a company in India.
- **Overseas Direct Investment (ODI**): Overseas Direct Investment, means investments done outside India by an Indian entity in their foreign entity) with aim to diversify the business abroad, avail the opportunity thrown by the overseas market, to make full utilization of full capacity, branding, and many more reasons.
- **External Commercial Borrowings (ECB):** External Commercial Borrowings are foreign currency or rupee-denominated borrowings raised by eligible resident entities from recognized non-resident lenders. Such borrowings provide access to overseas funding and are governed by the applicable FEMA regulations and RBI directions relating to borrowing and lending arrangements.
- **Establishment of Branch Office (BO) / Liaison Office (LO) / Project Office (PO) in India by Foreign Entities (FE):** Foreign entities seeking to establish a Branch Office, Liaison Office, or Project Office in India are required to comply with the regulatory framework prescribed by the Reserve Bank of India. Applications for such establishments are processed through Authorized Dealer Category-I Banks in accordance with the applicable FEMA provisions and RBI guidelines.

All Capital Account Transactions shall be subject to applicable FEMA regulations, RBI directives, underlying eligibility criteria, documentation requirements, regulatory reporting obligations, and the Bank's internal compliance and due diligence standards.

C. Trade Finance Services

- **Import Related Trade Finance Transactions**
  - **Letters of Credit:** The Bank offers a comprehensive range of Letter of Credit services to facilitate secure and efficient settlement of international trade transactions, in accordance with applicable regulatory requirements and internationally accepted trade finance practices. These services include:
  - **Issuance of LC:** Establishment of import Letters of Credit on behalf of customers to provide payment assurance to overseas suppliers against presentation of compliant documents.
  - **Amendment to LC:** Processing of amendments to existing Letters of Credit, including modifications relating to shipment terms, validity, amount, quantity, or other contractual conditions, subject to the agreement of all concerned parties.
  - **Bills Presented under LC:** Handling of documents and bills presented under a Letter of Credit (LC), including scrutiny for compliance with the terms of the credit and applicable international trade rules, and effecting settlement, acceptance, negotiation, or reimbursement of compliant presentations in accordance with the LC terms and regulatory guidelines.
  - **Cancellation of LC:** Closure or cancellation of Letters of Credit in accordance with applicable regulatory guidelines and international trade rules, subject to the consent of the beneficiary and other relevant parties, wherever required.
  - **Import Collections:** Import Bill Collection is a mode of payment for international trade where the seller either directly or through their banker forwards financial and/or commercial documents to the buyer through buyer’s banker. Import Bill for Collection can be Documents Against Acceptance (DA) where the Bank releases the import documents to the buyer (importer) on acceptance of the bills of exchange/draft or as Documents against Payment (DP), where Bank release the import documents to the buyer against receipt of payment from the buyer.
  - **Advance Import Payments:** The Bank processes Advance Import Remittances for eligible import transactions where payment is required prior to shipment of goods or provision of services. Such transactions are undertaken subject to FEMA regulations, RBI guidelines, and submission of prescribed documentary evidence.
  - **Direct Import Payments:** The Bank facilitates Direct Import Payments in cases where trade documents are received directly by the importer from the overseas supplier or remitting bank. Payments are processed based on underlying trade documents and compliance with applicable foreign exchange regulations.
  - **Trade Credit - Buyers' Credit:** Buyer Credit is credit available to an importer from overseas lenders such as Banks and other Financial Institutions for import of goods. The overseas Banks usually lends to the importer (buyer) based on Bank Guarantee/Standby Letter of Credit issued by the importer's bank. Buyer's Credit helps local importers gain access to cheaper foreign currency funds that may be closer to International (ARR) rates as against local sources of funding which may be costlier.
  - **Trade Credit - Supplier's Credit**: Supplier's Credit is a trade credit arrangement whereby an overseas supplier grants a deferred payment period to an Indian importer for payment of import obligations. Depending on the structure of the transaction, financing may also be provided by the overseas supplier or an overseas financial institution. Supplier's Credit and Buyer's Credit are collectively referred to as Trade Credits. Trade Credits may be availed by Indian importers within the tenor limits prescribed under applicable regulatory guidelines.

- **Export Related Trade Finance Transactions**
    - **Export Letters of Credit**: An Export Letter of Credit (LC) is a documentary undertaking issued by an overseas issuing bank on behalf of the importer, assuring payment to the exporter (beneficiary) upon presentation of documents that comply with the terms and conditions stipulated in the credit. Export LCs are governed by the Uniform Customs and Practice for Documentary Credits (UCP 600) issued by the International Chamber of Commerce (ICC). The transactions handled under Export LC received through SWIFT platform are as follows:
        - Advising of Export LC and Amendments
        - Confirmation of Export LC and Amendments
        - Transfer of Export LC
        - Cancellation of Export LC
    - **Export Bills**: Export Collection refers to the handling of commercial and/or financial documents by banks on behalf of exporters in accordance with their instructions, with the objective to Delivery of commercial documents to the buyer against acceptance of a draft or receipt of payment through buyer or their banker, as applicable under the terms of the collection arrangement.
    - **Export Credit**: The Bank offers a range of export finance solutions designed to support exporters at various stages of the trade cycle, from pre-shipment production to post-shipment realization of export proceeds.
    - **Packing Credit:** Packing credit is a loan/ advance granted to an exporter for financing the purchase of raw materials, processing, manufacturing and packing of goods prior to shipment. Pre-Shipment is sanctioned/granted on the basis of the Letter of Credit or a confirmed and irrevocable order for the export of goods/services from India or any other evidence of an order for export from India. Pre-Shipment credit can be availed in INR or FCY
    - **Export Bill Negotiation:** Export Bill Negotiation involves the purchase or negotiation of export documents drawn under a Letter of Credit, subject to compliance with the terms and conditions of the credit. Since payment is backed by the issuing bank's undertaking and further strengthened where an LC carries confirmation from a reputable bank, the transaction risk is significantly mitigated. Accordingly, the Bank may extend financing against such compliant export LC bills in line with approved credit policies and risk parameters.
    - **Export Bill Discounting:** Export Bill Discounting enables exporters to obtain immediate liquidity by discounting or selling eligible export receivables arising from non-LC export transactions. The facility is generally extended to customers with established export track records and approved credit limits, thereby improving cash flow and working capital efficiency.
    - **Export Factoring** is a receivables financing solution that enables exporters to improve liquidity and effectively manage credit and collection risks arising from international trade transactions. Under this arrangement, the Bank or an approved factoring institution purchases or finances eligible export receivables, allowing exporters to receive funds prior to the actual realization of proceeds from overseas buyers.

D. Mandatory Documentation required from client for below mentioned:

- **Cross Border Remittances - Current Account Transactions**
    - Outward Remittances –

Outward Remittances – Documents required for transactions involving Foreign Exchange Payment from India

S.No.	List of Documents
1	Customer Request Letter
2	FEMA and NNL Declaration
3	Form 145/146 (as applicable)
4	Requirement of additional documents as per the purpose of the Payment in view of additional diligence required for the transactions

Additional documents with respect to purpose codes:

S.No.	Purpose of Payment	Documents Required
1	Imports (Payment against import of Goods)	1. Commercial Invoice / Proforma Invoice (In case of Advance) 2. Transport Document (Open Account Payment) 3. Bill of Entry (Open Account Payment and goods are released from Customs) 4. Contract or Purchase Order or Agreement (as applicable)
2	Imports (Payments against Service)	1. Commercial Invoice. Commercial Invoice / Proforma Invoice (In case of Advance) 2. Contract or Purchase Order or Agreement (as applicable) 3. CA Certificate for realisation of Service
3	Service Payments (Non-Trade Payment)	1. Invoice 2. Form A2 3. Underlying Documents / Agreement / Contract (as applicable for varied purpose codes) and, a. Transport Documents (BL/AWB) (in case of Freight Payments) b. Underlying evidence viz. Passport, Travellers list (in case of travel) c. Insurance details / Policy (In case of Insurance related payments) d. PEM Approval (In case of Project Export) e. Requirement of additional documents as per the purpose of the Payment in view of diligence required for the respective purpose codes

- **Inward Remittances**

Inward Remittances – Documents required for transactions w.r.t Goods and Services involving Foreign Exchange remittance into India

S.No.	List of Documents
1	Customer Request cum Disposal Letter
2	FEMA Declaration
3	Requirement of additional documents as per the purpose of the Payment in view of additional diligence required for the transactions

Additional documents with respect to purpose codes:

S.No.	Purpose of Payment	Documents Required
1	Exports (Payment against Export of Goods and Services)	1. Commercial Invoice / Proforma Invoice (In case of Advance) 2. Transport Document (Export Realisation) – Only for Goods 3. Shipping Bills (Export Realisation) – Only for Goods 4. Softex Form (Export Realisation) – Only for Services 5. Contract or Purchase Order or Agreement (as applicable)
3	Service Payments (Non-Trade Payment)	1. Invoice, as applicable 2. Underlying Documents / Agreement / Contract (as applicable for varied purpose codes) a. PEM Approval (In case of Project Export)

		b. Requirement of additional documents as per the purpose of the Payment in view of diligence required for the respective purpose codes

- **Cross Broder Remittances - Capital Account Transactions**

<u>Foreign Direct Investment (FDI) – List of documents:</u>
<u>Credit of funds received as FDI</u>

a. FDI Declaration
b. MOA of the investee
c. Press Note 3 Declaration from the Investor
d. 6 Pointer KYC of the investor /remitter
e. MT103 Copy
f. FEMA Declaration
g. Client Disposal Instruction

<u>Transfer of shares from non-resident to resident</u>

1. Copy of Buy back agreement

2. Consent letter from buyer and seller mentioning the no. of shares, price per share and total consideration amount

3. Share holding pattern of Indian company before / after the transfer of shares in Investee company letter head

4. Certificate from Chartered Accountant/SEBI registered Merchant Banker as to the valuation per internationally accepted method

5. Declaration from buyer that he is eligible to acquire the shares in terms of the FDI Policy and applicable pricing guidelines are compiled

6. Board Resolution from buyer company confirming the board approval for transfer of shares and authorizing / nominating particular person to sign on behalf of the Company

7. Copy of Passport of the Authorized person of seller

8. NR Declaration – Format as per FIRMS user manual

9. Bank advise and MT103 copy of outward remittance (For FC_TRS Submission)

10. Form 145 and 146

11. Copy of RBI letter taking the investment on their record against the earlier FC-GPR Reporting

12. FCTRS Declaration

<u>Transfer of shares from resident to non-resident</u>

1. Copy of Share Purchase Agreement (SPA)

2. Consent letter from buyer and seller mentioning the no. of shares, price per share and total consideration amount

2. Share holding pattern of Indian Investee company before/after the transfer.

3. Valuation of Indian investee company (Certificate from Chartered Accountant/SEBI registered Merchant Banker as to the valuation per internationally accepted method

4. Declaration from buyer confirming he is eligible to acquire the shares and applicable pricing guidelines are complied with.

5. Duly Certified Copy of Foreign Inward Remittance Certificate (FIRC)

6. KYC of the foreign Investor

7. Board Resolution from buyer and seller company confirming the board approval for transfer of shares and authorising / nominating particular person to sign on behalf of the company

8. Duly certified copy of Passport of the person signing documents on behalf of non-resident buyer

9. No objection/ Tax clearance Certificate from the Income Tax authority/ Chartered account for the seller company

10. NR declaration in the attached format

12. Documentary evidence of transfer of shares which should match with date of transfer mentioned in FIRMS application

13. Press note 3 declarations from Overseas Investor

- **Foreign Direct Investment (FDI) – Reportings by Indian investee company on FIRMS portal**

A. FC-GPR

(Issuance of equity instruments by an Indian company to a non-resident)

Documents Required

1. Certificate from Company Secretary as per format prescribed by RBI
2. Copy of Investee Company's Board Resolution
3. Copy of Foreign Inward Remittance Certificate (FIRC)
4. Certified copy of Government approval, wherever applicable
5. KYC of Remitter and Investor
6. NOC-cum-Disclaimer from Remitter if Investor is different from the remitter
7. Copy of RBI approval if Investor is an Overseas Corporate Body (OCB)

B. FC-TRS

(Transfer of equity instruments between resident and non-resident)

Documents Required

1. Copy of Share Purchase Agreement (SPA)
2. Consent letter from buyer and seller mentioning the no. of shares, price per share and total consideration amount
2. Share holding pattern of Indian Investee company before/after the transfer.
3. Valuation of Indian investee company (Certificate from Chartered Accountant/SEBI registered Merchant Banker as to the valuation per internationally accepted method
4. Declaration from buyer confirming he is eligible to acquire the shares and applicable pricing guidelines are complied with.
5. Duly Certified Copy of Foreign Inward Remittance Certificate (FIRC)
6. KYC of the foreign Investor
7. Board Resolution from buyer and seller company confirming the board approval for transfer of shares and authorising / nominating particular person to sign on behalf of the company
8. Duly certified copy of Passport of the person signing documents on behalf of non-resident buyer

9. No objection/ Tax clearance Certificate from the Income Tax authority/ Chartered account for the seller company
10. NR declaration in the attached format
11. Documentary evidence of transfer of shares which should match with date of transfer mentioned in FIRMS application

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C. LLP-I (Capital contribution by non-resident in LLP)

Documents Required

1. FIRC/Debit Statement
2. KYC of non-resident investor
3. Valuation Certificate
4. RBI FIRMS prescribed documents:
    - Certificate from Designated Partner/Authorized Representative
    - Authorized Representative Declaration
5. LLP Agreement relating to capital contribution

D. LLP-II (Transfer of capital contribution between resident and non-resident)

Documents Required

1. Declaration by non-resident transferor/transferee
2. FIRC/Debit Statement/Outward Remittance Certificate
3. KYC of non-resident investor
4. Relevant acknowledgement for capital contribution transferred
5. Valuation Certificate
6. Buyer and Seller Consent Letter
7. Transfer Agreement
8. No objection/ Tax clearance Certificate from the Income Tax authority/ Chartered Accountant

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E. Convertible Notes

Applicable for issuance and transfer of Convertible Notes by eligible start-up companies to non-resident investors.

Documents Required:

1. FIRC/ Debit Statement
2. KYC of the investor /Remitter
3. Document evidencing date of issue of Convertible Note.
4. Registration certificate for being a start-up.
5. Board resolution: Only the relevant extracts.
6. RBI FIRMS prescribed documents

    a. CS certificate, as applicable:(As per FIRMS User Manual).

    b. Declaration to be filed by the authorised representative of the Startup: (As per the FIRMS User Manual)

FCTRS (Transfer of equity instruments from non-resident seller to resident buyer)

Documents Required

1. Customer Request Letter
2. FEMA Declaration
3. Form A2
4. Proof that original FDI investment was on repatriable basis
5. Valuation Certificate
6. RBI Approval (where under approval route)
7. Share Purchase Agreement (SPA)
8. Buyer and Seller Consent Letter (if SPA unavailable)
9. Form 145/146
10. Share purchase agreement

Overseas Direct Investment (ODI) – List of documents

Remittance towards Subscription to Memorandum of Association (MOA)

1. Request letter for outward remittance *(Initial & Subsequent Remittance)*.

2. Form A2. (Initial & Subsequent Remittance)

3.FEMA Declaration under Section 10(5) of FEMA, 1999.

4. Form FC Section A to E duly filled in, signed and stamped as per format attached (Fresh & Subsequent Remittance).

5. Certificate by the Statutory Auditor (Sec-E) of the Indian entity as per format prescribed by RBI.

6. Copy of Board Resolution approving the captioned investment incorporating name of Foreign Entity, nature of investment & amount. (Initial & Subsequent Remittance)

7. Copy of the last audited financials of Indian Company (Initial remittance).

8. Foreign Entity agreement/MOA in the case of initial Remittance. Copy of MOA of foreign entity in the case subscription to MOA. Original MOA to be sought in case of submission of amended MOA.

9. Copy of share purchase agreement/deferred payment agreement/host country documents confirming the timelines for subscription to MOA/shares of foreign Entity

10. In case of partial / full acquisition of an existing foreign company, where the investment is more than USD 5 million, valuation of the shares of the company shall be made by a Category I Merchant Banker registered with SEBI or an Investment Banker / Merchant Banker outside India registered with the appropriate regulatory authority in the host country; and, in all other cases by a Chartered Accountant or a Certified Public Accountant.

11. Certificate of Incorporation of the foreign entity, if applicable. (Initial Remittance)

12. PAN of Indian entity for fresh remittances. (Initial Remittance)

13. Copy of MOA for fresh remittances (Initial Remittance).

14.Declaration from CS of Indian company that all FLA reporting till the current year is reported or if FLA not applicable confirm the same/FLA reporting details to be provided.

15. Declaration that shares not allotted by the overseas company till date and will be allotted after remittance of the current requested equity amount and share certificate will be issued and dated after the date of remittance and will be submitted to AD within 6 months from date of remittance.

For Indian Entity into financial activities then the following additional documents required: -

a) Copy of registration certificate of both Indian Entity and Foreign Entity
b) Approval from concerned authority in India for the said overseas investment
c) Copy of Approval of both the authorities for venturing into financial activity and investment.
d) Audited financials of Indian Entity for last 3 years wherein the Indian Entity should have made profit from the said financial activity for the last 3 years.

Subsequent Investment in Debt
Documents Required

1. Request letter for outward remittance (Initial & Subsequent Remittance).
2. Form A2 (Initial & Subsequent Remittance)
3. FEMA Declaration under Section 10(5) of FEMA.
4. Form FC Section A to E duly filled in, signed and stamped as per format attached (Fresh & Subsequent Remittance).
5. Certificate by the Statutory Auditor (Sec-E) of the Indian entity as per format prescribed by RBI.
6. Copy of Board Resolution approving the captioned investment incorporating name of Foreign Entity, nature of investment & amount. (Initial & Subsequent Remittance)
7. Copy of the last audited financials of Indian Company (Initial remittance). Latest audited financials should not be more than 18 months preceding the date of request/remittance.
8. Copy of loan agreement confirming the timelines.
9. Declaration from CS of Indian company that all FLA reporting till the current year is reported or if FLA not applicable confirm the same.

Disinvestment by Indian Entity

Documents Required

1) Request letter for disinvestment reporting
2) Copy of Board Resolution towards disinvestment.
3) Copy of Bank Credit advice for the inwards received towards disinvestment.
4) Requisite details for filing Form FC section G.
5) Certificate from CA / CPA for valuation of shares.
6) Share transfer agreement, if any.
7) Copy of Share Certificates, if not submitted earlier.

External Commercial Borrowings (ECB)

Key Documentation

1. ECB Agreement
2. Form ECB
3. Loan Registration Number (LRN)
4. Other supporting documents as applicable to transaction structure and RBI requirements

For Applying LRN under Automatic Route. (To process ECB under Automatic Route, we will require below listed documents)

Requisite Documents

1. Customer letter
2. Client Profile Format
3. Form ECB1 (Refer Link for Form ECB) to be printed in letter head and signed by authorised signatory along with excel format of Form ECB 1
4. Customer declaration
5. Copy of Loan Agreement/Term Sheet
6. If lender is equity holder, RBI letter taking investment on record or FCGPR approvals copies or copy of screenshots from FIRMS portal.
7. Copy of Board Resolution of Indian Company for availing of ECB loan.
8. Minimum Average Maturity Calculation.
9. Diagrammatic Representation in case loan is from indirect equity holder, Group company.
10. Latest Audited Financial Statements (Balance Sheet + Income Statement + Cash Flow)
11. Undertaking for timely submission of ECB II returns [If ECB availed earlier]
12. Board Resolution specifying end-use of ECB
13. All-in-Cost Calculation document duly certified
14. Confirmation letter from Company Secretary on % FDI allowed in the Indian Company
15. Copy of MOA of Indian Company needs to be taken to ensure that activity mentioned on Form ECB matches with actual activity carried out by Indian Party. In case of doubt on the activity CATT needs to take confirmation from business.
16. KYC of lender.
17. CA certificate to be provided to certify below details

    01. Total outstanding ECB

    02. The transaction amount towards the ECB together with earlier borrowing (external and domestic) is within the limit as stipulated by the Reserve Bank from time to time. The total borrowing (external and domestic) of the Indian entity M/s _____________ is _______ (in foreign currency) the INR equivalent of which works out to INR _______ that works out to % of its Net Worth which is INR _______, as on _______ of last audited balance sheet, (financials should not be more *than 18 months old) Regulation : (1) An eligible borrower may raise ECB up to the higher of (a) outstanding ECB up to USD 1 billion; or (b) total outstanding borrowing (external and domestic) up to 300 per cent of net worth as per the last audited standalone balance sheet of the borrower. Explanation: Outstanding borrowing shall not include non-fund-based credit and funds raised through issuance of securities which are mandatorily convertible to equity*

Establishment of Branch Office (BO) / Liaison Office (LO) / Project Office (PO) in India by Foreign Entities (FE)

Please find below list of documents required for opening of LO/BO

- Request letter for establishment of LO/BO in Indian with complete details of case
- Audited Financial of preceding three years for LO and 5 years for BO.
- Certificate from CA/CPA confirming net worth is not less than USD 50,000 for LO and USD 1,00,000 for BO or its equivalent. (Net Worth [total of paid-up capital and free reserves, less intangible assets as per the latest Audited Balance Sheet or Account Statement certified by a Certified Public Accountant or any Registered Accounts Practitioner by whatever name called].). An applicant that is not financially sound and is a subsidiary of another company may submit a Letter of Comfort (LOC) (Annex A) from its parent / group company, subject to the condition that the parent / group company satisfies the prescribed criteria for net worth and profit.
- Duly signed and stamped Form FNC.
- Copy of Board Resolution confirming reason for setting of Liaison office/Branch Office/Project office in India.
- SWIFT for KYC from applicant entity on following points. (SWIFT Code – INDBINBBCPC) or Report in another format:

  1.Applicant's background
  2.Antecedents of the promoter
  3. Nature and location of activity of the applicant
  4. Sources of funds
  5. Period of Banking relationship.
  6. Name of the Bank
  7. Registered Address
  8. Account No

  - Declaration from customer stating:

  1. Annual Activity Certificate (AAC) as at the end of March 31 each year along with the Audited Financial.
  2.Copy of AAC along with Audited Financial will be submitted to Director General of Income Tax (International Taxation), New Delhi

- Copy of the Certificate of Incorporation / Registration; Memorandum of Association and Articles of Association attested by the Notary Public in the country of registration. Bankers' Report from the applicant's banker in the host country / country of registration showing the number of years the applicant has had banking relations with that bank.
- Power of Attorney in favour of signatory of Form FNC in case the Head of the overseas entity is not signing the Form FNC.

Please find below list of documents required for opening of PO

1. Request letter for establishment of PO in Indian with complete details of case
2. Duly signed and stamped Form FNC
3. Copy of Board Resolution confirming reason for setting of Project office in India.

4. SWIFT for KYC from applicant entity on following points. (SWIFT Code – INDBINBBCPC) or Report in other format
    - Applicant's background
    - Antecedents of the promoter
    - Nature and location of activity of the applicant
    - sources of funds
    - Period of Banking relationship.
    - Name of the Bank
    - Registered Address
    - Account No.

5. Declaration from customer stating.
    a. Annual Activity Certificate (AAC) as at the end of March 31 each year along with the Audited Financial.
    b. Copy of AAC along with Audited Financial will be submitted to Director General of Income Tax (International Taxation), New Delhi
    c. The project have secured the necessary regulatory clearances; and is funded directly by inward remittance from abroad; or the project is funded by a bilateral or multilateral International Financing Agency, or a company or entity in India awarding the contract has been granted Term Loan by a Public Financial Institution or a bank in India for the Project
6. Copy of contract from an Indian company to execute a project in India.
7. Copy of the Certificate of Incorporation / Registration; Memorandum of Association and Articles of Association attested by the Notary Public in the country of registration. [If the original Certificate is in a language other than in English, the same may be translated into English and notarized as above and cross verified/attested by the Indian Embassy/ Consulate in the home country].
8. Bankers' Report from the applicant's banker in the host country / country of registration showing the number of years the applicant has had banking relations with that bank.
9. Power of Attorney in favour of signatory of Form FNC in case the Head of the overseas entity is not signing the Form FNC.

Mandatory Common Controls

The Bank may seek additional documentation depending on:

- Nature of transaction
- Sectoral regulations
- Beneficial ownership verification
- AML/KYC requirements
- RBI/FEMA compliance obligations
- Enhanced Due Diligence requirements

- **Import Related Trade Finance Transactions**
    - Letters of Credit (Issuance, Amendment, Reimbursement, Cancellation)
    - Import Collections (Lodgement, Acceptance, Payment/Realization)
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    - Trade Credit - Buyers' Credit (SBLC Issuance, Rollover of Buyers Credit, Repayment on Maturity)

Letters of Credit (Issuance, Amendment, Reimbursement, Cancellation, Lodgement, DO, Acceptance, Realisation)

S.No.	Purpose of Payment	Documents Required

1	Letter of Credit Issuance	LC Application cum Customer Request letter with debit authority, Non - Negative List (With HS Code) and FEMA declaration Proforma Invoice / Purchase Order / Sales Agreement (optional) Insurance policy from applicant (if Insurance bears by Applicant) Import License (for restricted goods) Funding Arrangement Offer Letter (applicable as additional document for RA Financing LC)
2	Letter of Credit Amendment	LC Amendment Request letter Amended Purchase Order / Sales Agreement (optional) Enhanced Insurance coverage (if applicable)
3	Cancellation of LC	Customer Request Letter Beneficiary /Confirming Bank consent
4	Delivery Order	1. Unconditional Acceptance for the Bill under LC along with FEMA and NNL declaration 2. Cargo Arrival Notice 3. Copy of Documents viz. Invoice, Transport document
5	Bill Lodgement under Letter of Credit	1. Covering Letter from Presenting Bank 2. Invoice 3. Transport Document (AWB, BL) 4. Insurance Policy, Bill of Exchange, Packing List, Certificate of Origin (As applicable as per the terms of the LC) 5. Any other Documents called as per the terms of the LC
6	Bill Acceptance	1. Bill Acceptance along with FEMA and NNL 2. Accepted Bill of Exchange with stamp duty, as applicable
7	Bill Payment	1. Debit Authority

Import Collections (Lodgement, Acceptance, Payment/Realization)

S.No.	Purpose of Payment	Documents Required
1	Import Collections Bill Lodgement	1. Covering Letter (Collection Instruction), from Overseas Bank, or Overseas Supplier Letter addressed to the Bank for handling documents under Collection 2. Invoice 3. Transport Document (AWB, BL) 4. Other documents stipulated in the Covering Letter 5. Specific guidelines viz. Status Holder Certificate etc. (as applicable)
2	Delivery Order	1. Unconditional Acceptance for the Bill under Collection along with FEMA and NNL declaration 2. Cargo Arrival Notice 3. Copy of Documents viz. Invoice, Transport document
3	Collection Bill Acceptance	1. Bill Acceptance along with FEMA and NNL 2. Accepted Bill of Exchange with stamp duty, as applicable
4	Collection Bill Payment	1. Debit Authority

Advance Import Payments (Remittance)

S.No.	Purpose of Payment	Documents Required
1	Advance Import Payment	1. Customer Request Letter along with FEMA and NNL Declaration with declaration to submit Bill of entry 2. Proforma Invoice or Contract or Purchase Order or Agreement (as applicable) 3. Specific guidelines viz. Opinion Report/ BG/SBLC etc. (as applicable)

Direct Import Payments

S.No.	Purpose of Payment	Documents Required
1	Direct Import Payment	1. Customer Request Letter along with FEMA and NNL Declaration 2. Commercial Invoice 3. Transport Document (AWB/BL) 4. Bill of Entry copy / Bill of entry details 5. Specific guidelines viz. Status Holder Certificate, Kimberley Certificate etc. (as applicable)

Trade Credit - Buyers' Credit (SBLC Issuance, Rollover of Buyers Credit, Repayment on Maturity)

Buyer Credit is credit available to an importer from overseas lenders such as Banks and other Financial Institutions for import of goods. The overseas Banks usually lends to the importer (buyer) based on Bank Guarantee/Standby Letter of Credit issued by the importer's bank. Buyer's Credit helps local importers gain access to cheaper foreign currency funds that may be closer to International (ARR) rates as against local sources of funding which may be costlier.

Sl. No.	List of Documents
1	Buyers Credit Issuance
	Customer request letter with FEMA declaration
	Indicative quote/Offer Letter from Foreign Bank
	Foreign Bank Text
	NOC from AD1 Bank (If import handled by other AD1 bank)
	Commercial Invoice
	Bill of Lading/Bill of Entry/Airway Bill
2	Rollover (or) Amendment to Buyers Credit
	Customer request letter
	Acceptance Letter of New Quote Pricing (Applicable for Roll-over)
3	Repayment on Maturity
	Debit Authorization
	Form A2

- **Export Related Trade Finance Transactions –**

- **Export Letters of Credit**: An Export Letter of Credit (LC) is a documentary undertaking issued by an overseas issuing bank on behalf of the importer, assuring payment to the exporter (beneficiary) upon presentation of documents that comply with the terms and conditions stipulated in the credit. Export LCs are governed by the Uniform Customs and Practice for Documentary Credits (UCP 600) issued by the International Chamber of Commerce (ICC). The transactions handled under Export LC received through SWIFT platform are as follows:
    - Advising of Export LC and Amendments

    - Confirmation of Export LC and Amendments
    - Transfer of Export LC
    - Cancellation of Export LC
- Letters of Credit (Advising, Confirmation, Transfer, Cancelation)
- Export Bills (Bills Under Collections, Bill Regularization against Advance Payments)
- Export Credit (Packing Credit, Export Bill Negotiation, Export Bill Discounting, Factoring)

S. No	***Activity***	**Standard - Documents required**
	Letter of Credit	
1	***Advising***	Not Applicable
2	***Confirmation***	Customer request letter
3	***a. Transfer***	Customer request letter
		Supporting contract document
		Original / Copy of Export Letter of Credit
	b. Transfer Amendment	Customer request letter
4	***Cancellation***	Customer Request Letter
		Original export letter of credit
	Export Bills	
1	***Bills Under Collections***	Customer request letter
		Commercial Invoice
		Transport document (Bill of Lading / AWB / Truck receipt / Courier way bill, etc) as applicable
		FEMA Declaration
		Shipping Bill / Softex form
		Insurance /Certificate of Origin /other documents as agreed with Buyer
		Bill of Exchange (If applicable)
		Packing List (if applicable)
		Status Holder Certificate (if applicable)
		Third Party Declaration (if applicable)
		OFAC Undertaking (if applicable)
2	***Bills Under Letter of Credit***	Customer request letter
		Commercial Invoice

		Transport document (Bill of Lading / AWB / Truck receipt / Courier waybill, etc) as applicable
		FEMA Declaration
		Shipping Bill / Softex form
		Insurance /Certificate of Origin /other documents as called for, in the Letter of Credit
		Bill of Exchange (if applicable)
		Packing List (if applicable)
		Status Holder Certificate (if applicable)
		Third Party Declaration (if applicable)
		OFAC Undertaking (if applicable)
2	***Bill Regularization against Advance Payments***	Customer request Letter
		Invoice copy
		Transport document copy
		Shipping Bill / SOFTEX copy
		Third Party Declaration (if applicable)
		OFAC Undertaking (if applicable)
		Status Holder Certificate (if applicable)
	Export Credit	
1	***Packing Credit***	Customer request letter
		Export LC / PO in case of Order based financing
2	***a. Export bill Discounting for already lodged bill***	Customer request letter (Bill Reference No. already lodged in system)
	b. Export bill Discounting request along with submission of document for lodgement	Customer request letter
		Refer document called under Bills for Collection / Letter of credit

E. Customer Request Channel – Branch Service Centre and Digital Mode

Customers may place their request through:

- Branch Channel
- Online Channels

F. Service Commitment – Timeline for Processing transaction Requests

Subject to receipt of complete documentation and regulatory compliance requirements, IndusInd Bank shall endeavour to process Cross Border Related Transactions Same day* subject to all underlying documents / details are provided.

*Transactions received at branches or online channels by 3PM on a banking day will be processed the same day subject to meeting all regulatory and internal guidelines of the bank. Transactions received post cut off will be taken up for next banking day processing.

Note: Transaction involving enhanced due diligence, sanctions review, regulatory approval, complex ownership structures or additional compliance validation may require extended processing time.

G. Fees & Charges – Schedule of Charges for Trade Transactions

Standard Schedule of Charges Link is: https://www.indusind.bank.in/in/en/personal/schedule-of-charges.html

H. Grievances Redressal, Process Flow & Escalation Matrix:

Grievances Redressal policy reference:

https://www.indusind.bank.in/content/dam/regulatoryDisclosure/grievanceRedressal/grievance-redressal-mechanism.pdf

Process Flow & Escalation Matrix:

- The trade processing team shall oversee the processing of cross-border inward and outward remittances, including current account and capital account transactions, in accordance with applicable regulatory requirements, internal policies, processes, and risk management expectations.
- Trade processing team shall review and assess transaction requests, including the identification of exceptions, deviations, non-standard processing requests, and determinations relating to documentation and/or information requirements from clients for current account and capital account transactions.
- Any exception, deviation, non-standard processing request, or determination requiring approval shall be reviewed and approved by the relevant Business Head or an authorized delegate operating within their delegated approval authority.
- Requests requiring additional oversight may be escalated to the appropriate governance forum, senior management authority, or control function for review and approval, as applicable.
- The trade processing team shall maintain records of all approved exceptions, deviations, and related approvals in the Trade system as part of the standard process and shall undertake ongoing monitoring, reporting, escalation, and governance activities relating to cross-border inward and outward remittances.

I. Internal Oversight and Training

Bank has got a robust internal controls and review mechanisms which is documented in standard operating procedures and independently verified by Operations, risk and control team, concurrent Audit and internal Audit department and independent compliance review.

On an ongoing basis, Bank conducts various training programs to upskill its employees in the branches, back office and support teams in FEMA, RBI, ICC and other regulatory framework with respect to handling day to day operations.