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Tax Flash News



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RBI amends the regulations governing export and import of goods and services

Executive summary

The Reserve Bank of India ('the RBI') had notified the Foreign Exchange Management (Export and Import of Goods and Services) Regulations and Directions ('2026 Regulations') on 13 January 2026.[1]

The RBI has introduced further amendments to the 2026 Regulations through notifications dated 22 September 2026[2] and 2 November 2026.[3] These amendments, which are effective from 1 October 2026, seek to strengthen export proceeds realisation requirements while providing compliance relief in respect of service export and import reporting.

This Flash News summarises the key changes introduced through the aforesaid notifications.

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[1] Please click here to access our detailed Flash News on the notified Foreign Exchange Management (Export and Import of Goods and Services) Regulations and Directions

[2] Notification No. CG-MH-E-24092026-276477 dated 22 September 2026

[3] Notification No. CG-MH-E-02112026-277583 dated 2 November 2026

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Key changes

a) Reduction in export realisation and repatriation period

The time-period available for realisation and repatriation of export proceeds has been reduced from 15 months to 9 months from the date of export of goods and date of invoice in case of services. For exports invoiced/settled in INR, the timeline has been reduced from 18 months to 12 months.

b) Continuation of Caution List

Exporters appearing in the RBI's Caution List as on 30 September 2026 will continue to remain governed by the directions issued under the erstwhile 2015 export regulations until such time as they are removed from the Caution List.

c) Delegation of powers to Authorised Dealers

Authorised Dealer ('AD') banks have been empowered to handle transactions relating to exports, imports and merchanting trade undertaken prior to 1 October 2026 that previously required RBI approval under the erstwhile export/import regulatory framework.

d) Introduction of the concept of 'resident individual'

The regulations now specifically define 'resident individual' as a person resident in India who is a natural person.

e) Simplified export reporting for service exporters

- Service exporters who are resident individuals will be deemed to have submitted the Export Declaration Form ('EDF') when they provide the prescribed payment related information to their AD bank for crediting export proceeds.
- For service exporters other than resident individuals, the EDF submission requirement will be deemed fulfilled where the inward remittance value does not exceed INR 10 lakh (or its equivalent in foreign currency) and the requisite payment related information are furnished to the AD bank for crediting export proceeds.

f) Relaxation in reporting of import of services

AD banks will be required to report import of services in Import Data Processing and Monitoring System ('IDPMS') within five working

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days of receipt of details only where the importer is a person other than a resident individual and the invoice or contract value exceeds INR 10 lakhs (or its equivalent in foreign currency). This provides relief from routine reporting requirements for transactions value up to INR 10 lakhs and reporting exemption to resident individual importers.

Our comments

The amendments reflect RBI's continued commitment to simplifying foreign exchange regulations while strengthening oversight of export realisations.

The revised timelines for export proceeds underscore the regulator's focus on timely repatriation of foreign exchange earnings. Simultaneously, the relaxation of EDF and IDPMS requirements for low-value service transactions and transactions undertaken by resident individuals is expected to ease compliance obligations for service providers and smaller businesses engaged in cross-border trade.

Further, the delegation of approval powers to AD banks for specified legacy transactions is likely to enhance operational efficiency and facilitate faster resolution of pending cases.



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