

PART A

Standard Operating Procedures - Trade with other Partner Trading Countries under International Trade Settlement in Indian Rupees (INR) i.e. SRVA Mechanism

A. Scenario-I

Exporter/Importer's AD bank is having SRVA of correspondent bank from the buyer's/seller's country

i. For Exports-

- a. The exporter shall furnish the details of the account to be credited with export proceeds along with the details of the SRV account of the correspondent bank from the trading partner country, to the overseas importer from correspondent country.
- b. On receipt of relevant instructions from the overseas importer's bank, the AD bank shall debit the SRV account of the correspondent bank and credit to the exporter's account.
- c. Exporter shall submit the shipping and related documents to his/ her AD bank for handling the export documents and further processing of EDPMS entries by his AD bank.*

ii. For imports-

- a. The AD bank may debit the account of importer and credit the SRV account of correspondent bank from trading partner country. The AD bank may issue relevant instructions to the correspondent bank for crediting the sellers account in correspondent country. **

B. Scenario-II

Exporter/Importer's AD bank is not having SRVA of correspondent bank from the buyer's/seller's country and Exporter/importer is submitting the export/import related documents with their respective AD bank.

For Exports-

- a. The exporter shall furnish the details of the beneficiary bank and account to be credited along with the details of the SRV account of the correspondent bank from the trading partner country, to the overseas importer from the correspondent country.
- b. On receipt of relevant instructions from the overseas importer's bank, the AD bank maintaining SRV account of correspondent shall debit the SRV account of the correspondent bank and credit to the exporter's AD bank/ exporter's account as per the instructions received.

- c. The exporter shall submit the shipping and related documents to his/ her AD bank for handling the export documents and further processing of EDPMS entry by AD bank. *

ii. **For Imports-**

- a. The importer's bank shall debit the account of importer and transfer the remittance to the AD bank maintaining SRV account of correspondent bank from trading partner country. The latter shall issue relevant instruction to the correspondent bank for crediting the sellers account in correspondent country. **

C. Scenario-III

Exporter/Importer's AD bank is not having SRVA of correspondent bank from the buyer's/seller's country and Exporter/importer is submitting the export/import related documents with the AD bank maintaining SRVA of correspondent bank from the buyer's/seller's country.

The procedure as per Scenario II may be followed, except for the AD bank maintaining SRVA of the correspondent bank from the buyer's/seller's country may handle the documents and related I/EDPMS entries.

D. Scenario-IV

In case the exporter/importer is allowed to open a Special Current account with the AD bank maintaining SRVA of correspondent bank from the buyer's/seller's country:

The procedure as per Scenario I may be followed.

** AD bank should also simultaneously (simultaneous along with credit to the exporter's account) mark of the respective entry in EDPMS.*

*** AD bank should also simultaneously (simultaneous along with debit to the importer's account) mark of the respective entry in IDPMS.*

PART B

Standard Operating Procedure for Exports to Russian Federation to be Settled against Repayment of State Credits

1. For implementation of the provisions of the Letter of Exchange between the Government of India and Russian Federation, Reserve Bank of India (RBI) and VEB.RF (Erstwhile Bank for Foreign Economic Affairs of the USSR, Moscow) had concluded a Banking Arrangement.
2. As per the Arrangement, *repayment of State Credits* will be made by way of exports of any goods and services from India to Russian Federation that are permissible for export under Export and Import Policy of the Government of India in force from time to time.
3. In pursuance of the provisions of the Banking Arrangement and Addendum thereto, for such exports to be settled against repayment of State Credits, the following procedure is laid down:
 - a. VEB.RF shall open Letters of Credit (LCs) or confirm LCs opened by other banks in Russia denominated in Rupees in favour of Indian exporters of goods and services carrying the narration "Reimbursement against repayment of State Credits" and sends the same to the nominated banks in India and advise RBI as and when the LC is opened, the details of LC including the distinctive serial number of the LC, date of LC, amount of LC, description of goods to be shipped/services to be rendered under the LC, name of nominated bank, etc.
 - b. The nominated bank, after receiving the LC *shall seek* confirmation from the Chief General Manager, Reserve Bank of India, Division of Bank Accounts, Banking Department, Mumbai. Such confirmation is given by RBI subject to availability of funds in the Central Account of the VEB.RF with RBI and further subject to receipt and matching by it of the details of the LC with those received from VEB.RF in terms of (a) above.
 - c. The names of the banks in India which acts as nominated banks is given in Annex I. The exporter *will be* required to approach any one of the branches of the nominated bank dealing in foreign exchange for the purpose of handling export documents, registering of LC and claiming reimbursement from RBI.
 - d. On receipt of claims from the nominated banks for payment against LCs opened by VEB.RF or other banks in Russia where confirmation is obtained from RBI in terms of (b) above, RBI *shall initiate* payment including commission and bank charges, if any, to the nominated banks provided such claims are received in RBI not later than the 27th working day, viz. excluding the days on which RBI, Mumbai is closed, from the

date of expiry of the LC. The claims received after the above stipulated period *shall be* considered only after the receipt of fresh payment instructions from VEB.RF.

- e. Funds from repayments of State Credits *shall be* utilised for export of goods to Russian Federation only. No third country exports shall be permitted to be financed out of the funds from such repayments of State Credits.

List of Nominated Banks

1. ABN Amro Bank NV
2. Allahabad Bank
3. Andhra Bank
4. ANZ Grindlays Bank Ltd.
5. Bank of Baroda
6. Bank of India
7. Canara Bank
8. City Union Bank Ltd.
9. Citibank N.A.
10. Corporation Bank
11. Credit Lyonnais SA
12. Deutsche Bank AG
13. Indian Overseas Bank
14. IndusInd Bank Limited
15. Punjab National Bank
16. State Bank of Bikaner and Jaipur
17. State Bank of Hyderabad
18. State Bank of India
19. The Karnataka Bank Limited
20. Union Bank of India
21. United Bank of India
22. Centurion Bank Ltd