Frequently Asked Questions (FAQs) on Cross Border Transactions

1. What cross-border banking services does NongHyup Bank provide?

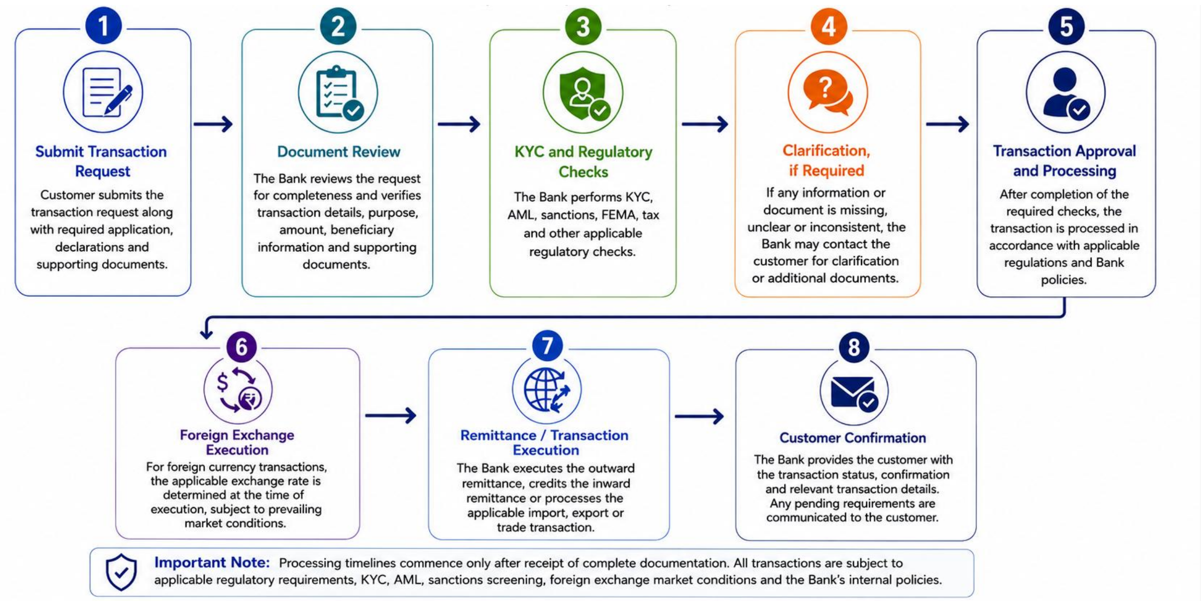
NongHyup Bank, Noida Branch provides services relating to inward and outward remittances, import and export transactions, Letters of Credit, documentary collections, foreign exchange transactions and applicable regulatory reporting.

2. What is the Process Flow for a transaction processing

Upon receipt of a cross border Outward remittance request from customer, Bank will conduct a comprehensive due diligence review to verify compliance with the Foreign Exchange Management Act (FEMA), Anti Money Laundering (AML) requirements, and all applicable guidelines, directions, circulars issued periodically by the regulator, as well as the Bank's own internal and group policies, as updated from time to time.

In case of cross border Inward remittance, the Bank will intimate the details to the customer to provide the disposal instructions along with the purpose of remittance in the Bank's standard format. Basis the disposal instructions received from the customer, and subject to the satisfaction of the Bank based on the due diligence on bonafied of the transaction, the bank will proceed with handling of the Inward remittance in accordance with the regulations and the Bank's own internal and group policies.

The general process flow as below



3. What documents are required for an outward remittance?

Outward Remittance: Non-Import / Current Account Transactions

Document / Information	Requirement
Customer request letter or remittance instruction	Signed request with beneficiary name, address, bank details, currency, amount, purpose and charges option.
Form A2 / application-cum-declaration	Mandatory FEMA declaration for outward remittance, with correct RBI purpose code and customer declaration.
PAN and KYC documents	PAN, updated KYC, account status, customer profile and authorised-signatory verification.
Underlying invoice, agreement, contract, fee note or demand letter	To establish genuineness, purpose, amount payable, beneficiary details and FEMA eligibility.
Tax documents, where applicable	Form 145 / 146, tax undertaking, TCS applicability details or other tax documents as required.
LRS declaration, where applicable	For resident-individual remittances under LRS, including annual-limit tracking and prohibited-purpose declaration.
Board resolution / authority letter, where applicable	For corporate applicants where the request is signed by authorised representatives.
Beneficiary and bank details	SWIFT code, IBAN / account number, beneficiary address, intermediary-bank details and country of destination.

Import Remittance: Advance, Direct Import Bill and Collection Payments

Document / Information	Requirement
Importer request letter / payment instruction	Signed instruction with supplier, currency, amount, payment type, invoice and shipment details, and charges option.
Import invoice / proforma invoice	Required for advance import payments and settlement of import invoices.
Purchase order / contract / agreement	To verify commercial terms, payment terms, shipment period, Incoterms and supplier details.
Bill of Entry / import evidence	Required for settlement and closure of IDPMS entries, wherever applicable.
Transport documents	Bill of lading, airway bill, courier receipt, lorry receipt or other shipment evidence, as applicable.
Import licence / DGFT approval, where applicable	Required for restricted, canalised or regulated goods and services.
Supplier bank details	Beneficiary bank name, SWIFT code, account number, IBAN, intermediary-bank details and country.
Form A1 / A2 or bank-prescribed declaration	To capture FEMA declaration, purpose code and customer undertaking for import payment.
SBLC / bank guarantee, where applicable	For advance import remittances above applicable thresholds.

Inward Remittance: Customer Credit, Export Receipts and Other Inflows

Document / Information	Requirement
SWIFT message / remittance advice	MT103, MT202, MT910, UTR, transaction reference, remitting-bank details, remitter details and value date.
Customer credit / disposal instruction	Instruction for credit to account, conversion to INR, retention in EEFC account or other permitted disposal.
Purpose code declaration	Correct inward-remittance purpose code and description before credit or reporting.
Underlying invoice / contract / agreement	To support export proceeds, service receipts, consultancy fees, refunds, investment inflows or other receipt purpose.
KYC and account status verification	Beneficiary KYC, account status, customer profile and authorised-signatory verification.
Export documents, where applicable	Shipping bill, invoice, packing list, export contract, EDF / SOFTEX, service export invoice or EDPMS reference.
FIRC / e-FIRC request	To be generated or provided as per customer request and applicable bank process.

Common Checks Before Processing

- The customer's KYC is valid and the transaction is consistent with the customer profile.
- The declared purpose code matches the underlying document and transaction narrative.
- The transaction is not prohibited or restricted under FEMA, sanctions, AML, tax or internal-policy requirements.
- Funds, applicable charges, exchange rate, value date and tax treatment are confirmed before execution.

4. What does Bank Verifies ?

Check Point	Requirement
Customer identification	Valid KYC, account status, beneficial ownership and customer profile.
Purpose validation	Purpose code, underlying documentation and FEMA eligibility.
Sanctions and AML screening	All parties, banks, countries and transaction narratives are screened.
Regulatory reporting	Applicable FETERS, IDPMS, EDPMS, ECB, ODI or FDI reporting is completed within prescribed timelines.

5. What is the LRS limit for resident individuals?

- **Limit:** USD 250,000 per financial year for resident individuals (not available to corporates).
- **Documentation:** Form A2, PAN and FEMA declaration.
- **Prohibited purposes:** Margin calls, foreign-exchange trading, or transfers to FATF non-cooperative jurisdictions.

Tax Collected at Source (TCS) Rates

TCS applies on an aggregate threshold of ₹10 lakh per tax year (overseas tour packages are taxed from the first rupee), subject to applicable Income-Tax provisions and regulatory updates. Rates below reflect the position effective 1 April 2026.

Purpose	TCS Rate	Remarks
Education through loan from a prescribed institution	Nil	Subject to applicable threshold and documentation.
Education other than loan	2%	On the aggregate amount above the prescribed threshold.
Medical treatment	2%	On the aggregate amount above the prescribed threshold.
Overseas tour programme package	2%	Flat 2% without a Threshold
Any other purpose	20%	Subject to applicable exemptions, thresholds and regulatory updates.

6. What is a Letter of Credit (LC)?

A Letter of Credit is a bank undertaking issued on behalf of a customer to facilitate payment to a beneficiary, subject to compliance with the terms and conditions of the LC and submission of the required documents.

7. How are inward remittances processed?

Inward remittances are processed after verification of the payment message, customer details, purpose of the transaction, supporting documents and applicable regulatory requirements. Customers may be required to provide a credit or disposal instruction.

8. How turnaround times for customer satisfaction

Stage	Expected Action	Timelines
Receipt of request	The Bank acknowledges receipt and identifies any missing documents.	The processing timeline begins only after complete documentation is received. • Inward Remittance- Funds for inward trade remittances are credited within 1 hour* of receiving the disposal instruction and required documents, subject to verification. (*for eligible transactions only) • Outward Remittance- 3:00 pm for the same day debit subject to complete documentation and checks (The Bank may seek additional information or clarification where required.)
Customer confirmation	The Bank shares transaction status, charges, value date and any pending requirements.	Within 2 Days from the date of processing/receiving (in case of pending) the transaction

“Business Days” means any day, on which the Bank is open for banking business in India, excluding (i) holidays declared for foreign exchange market closure and (ii) holidays notified under the Negotiable Instruments Act. Request received after prescribed cut-off time shall normally be processed next Business Day.

9. What is a purpose code, and why is it required?

A purpose code identifies the nature of an inward or outward foreign exchange transaction. The purpose code provided by the customer must be accurate and consistent with the underlying transaction and supporting documents.

10. What are EDPMS and IDPMS?

EDPMS is used for monitoring export transactions and realisation of export proceeds. IDPMS is used for monitoring import transactions and submission of import-related evidence.

Simplified closure: Entries up to ₹10 lakh may be closed on the basis of customer self-declaration.

Consolidated declarations: Declarations for simplified closure may be accepted on a periodic consolidated basis.

11. What is the cut-off time for same-day outward remittance processing?

Requests received by 3:00 p.m. may be considered for same-day debit, subject to receipt of complete documentation, availability of funds and completion of all applicable checks.

12. How are foreign exchange rates determined?

The applicable foreign exchange rate is determined at the time of transaction execution. The final rate may differ from an indicative rate due to market movements and prevailing transaction conditions.

13. What happens if a remittance is cancelled or returned?

Where an outward remittance is cancelled or returned unutilised, the funds may be credited back to the customer’s account after deduction of applicable charges and subject to applicable FEMA requirements.

14. What are the Fees and Charges for processing remittances

The standard schedule of charges shall be updated on the Bank’s website for convenience.

Outward Remittance	Cable Charges (Non-Import) : INR 250 + GST Cable Charges) (Import) : INR 750 +GST Plus Correspondent bank/ Foreign Bank charges: As applicable (OUR: USD 18, SHA: USD 9, BEN: NIL) EEFC Debit – 0.125% + GST
Inward Remittance Foreign Direct Investment Export Bills for collection	Handling charges: INR 100 +GST Handling charges: INR 1000 + GST Handling charges: INR 500 + GST Cable charges: 750 + GST

15.What is the Approval Matrix ?

As per procedural handling, the following is applicable to both Treasury and Trade.

Scenario	Approving Authority
Routine clean processing for both goods and services	Operations
For outward payment, where date of payment to invoice date is within 6 months	Operations
For outward payment, where date of payment to invoice date is greater than 6 months	Operations + Team Head

16. How can I contact the NongHyup Bank or escalate a grievance?

For transaction queries or service requests, customers may contact the Operations Team or Grievance Redressal Officer.

Internal Bank Process

1 Customer lodges complaint
Start

Choose a submission channel

- **Branch** — Written / Oral
- **Email** — Electronic
- **Call** — 0120-698-2888

2 Level 1 — Grievance redressal officer
Level 1

First point of resolution

Contact +0120 698 2815
Email operations@nonghyup.bank.in

Resolved → Complaint closed | Not resolved → Escalate ↓

Tasks:

- Acknowledge the complaint
- Review and resolve complaint
- Communicate resolution to customer

3 Level 2 — Principal nodal officer
Level 2

Final internal escalation authority

Officer Kavita Bhasin
Contact +0120 698 2825
Email pno@nonghyup.bank.in

Resolved → Complaint closed | Not resolved → RBI ↓

Tasks:

- Review of unresolved complaint
- Ensure resolution within **30 days**

Escalation to external authority (If not settled within 30 days) ↓

External — RBI Ombudsman

4 RBI Integrated Ombudsman Scheme (Centralized Receipt and Processing Centre, CPRC)
External

External regulatory recourse

Portal https://cms.rbi.org.in
Email crpc@rbi.org.in
Address CRPC, Reserve Bank of India, Central Vista, Sector 17, Chandigarh — 160 017

5 Final decision
End

RBI Ombudsman delivers binding resolution