

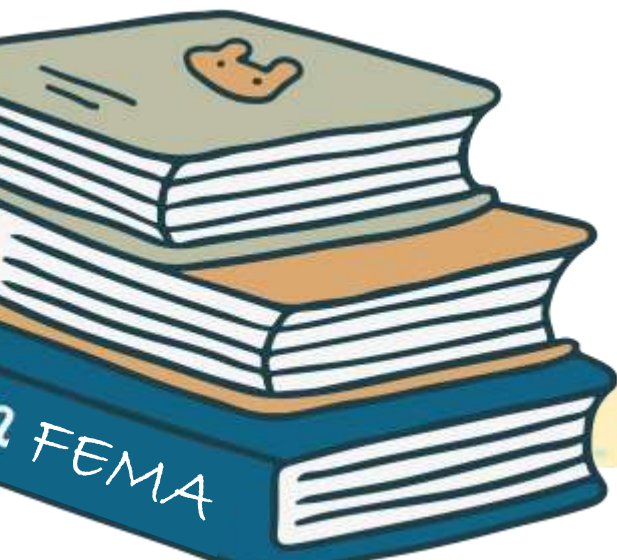
FEMA Ke Fundae

#FamiliarwithFEMA

Receipt of
Import Bill &
Document

Date:08-04-2026

Issue no:197





Abhi
(Businessman)

Hey FEMA Gyani, I am **Abhi**, and I recently started a small business importing electronic accessories from overseas suppliers. Now, For one of my recent imports, the overseas supplier directly couriered the import bills and documents to me instead of sending them through their bank. Is it allowed?

Hi Abhi ! Let's understand what Foreign Exchange Management Act says about Receipt of Import bill and document .

Under Foreign Exchange Management Act, import bills and documents should normally be received by the importer's bank in India from the overseas supplier's bank. Also, AD Category-I banks must ensure proper generation of ORMs, BoE entries, and BoE settlement.



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Abhi

So, does that mean importers cannot receive documents directly from overseas suppliers?

Generally yes. But there are some specific exceptions i.e. they can receive import bills/documents only in limited cases:

- When the import bill value does not exceed USD 300,000.
- Wholly-owned Indian subsidiaries receiving documents from their foreign parent
- Import bills received by Status Holder Exporters (as per Foreign Trade Policy) 100% Export Oriented Units (EOUs) ,SEZ Units and PSU.
- Import bills received by All limited companies — public limited, deemed public limited, and private limited companies.



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Understood, Are there any sector-specific relaxations?



Abhi

Yes! For importers of rough diamonds, rough precious and semi-precious stones:

- Non-status holders: Allowed up to USD 300,000.
- Status holders: No ceiling limit.
- But documentary evidence must be submitted at the time of remittance

But, Following conditions must be satisfied for these sector-specific transactions:



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- Must Comply with the prevailing Foreign Trade Policy.
- The transactions Must be based on their commercial judgment and be genuine and bona fide transactions.
- The bank must:
 - i. Conduct proper KYC.
 - ii. Verify financial standing and track record of the importer.
 - iii. Obtain a credit report on each overseas supplier from their banker or a reputed credit rating agency.



Abhi

So ,Can the AD Category-I bank itself receive bills directly from overseas suppliers?



Abhi

YES ! But , the bank must :

- Be fully satisfied about importer's financial standing.
- Obtain credit report of overseas supplier (subject to the USD 300,000 relaxation)
- Ensure full compliance with FEMA and IDPMS guidelines.



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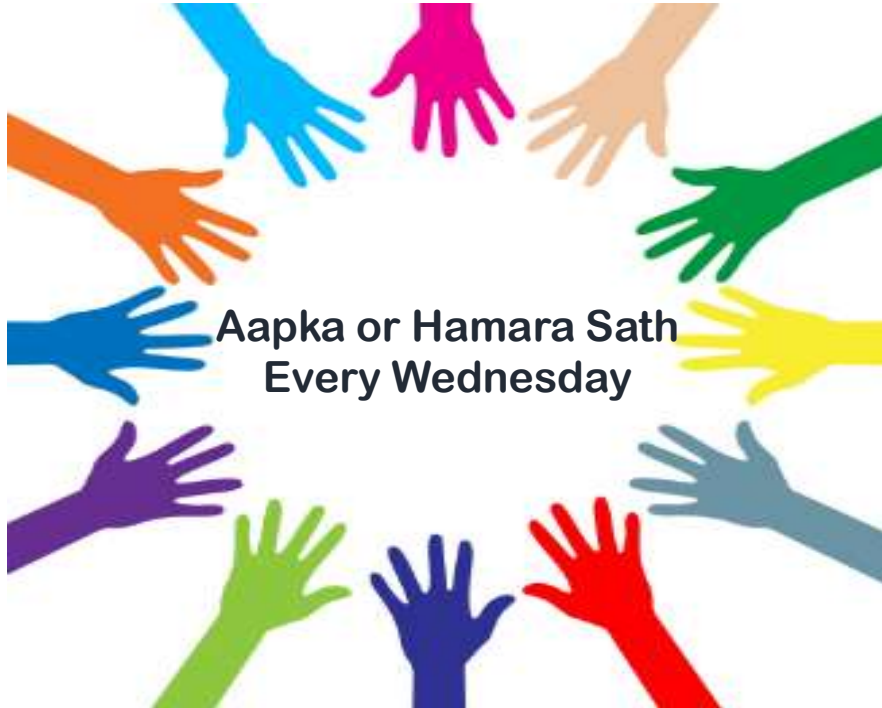
Great, Thank you so much FEMA Gyani!!

You're Welcome Abhi!



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Thank You



The FEMA Gyani

Comments

Feedbacks

Suggestions



<https://in.linkedin.com/company/jscoca>

WEBSITE

<https://jainshrimal.com/>



International Tax Gyan
WhatsApp group



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