

## **SERVICE CHARGES ON FOREIGN EXCHANGE TRANSACTIONS**

(w. e. f. 25.02.2009) **with service tax @ 10.30% loaded**

### **1. EXPORTS:**

#### **1.1 Handling Charges: (to be credited to Commission (Foreign) A/c**

##### **1.1.1 Export Bills purchased/discounted/negotiated/collected:**

(a) All export bills tendered to the bank for purchase / discount / negotiation or to be handled on collection basis (i.e. proceeds to be paid to the tenderer only after payment of the bill abroad and receipt of proceeds by the bank) will attract charges at the following scales.

(i) For bills of value upto and including equivalent of Rs. 2 lakhs @ **0.1378%** with a minimum of **Rs. 276/-** per bill.

(ii) For bills of value over equivalent of Rs. 2.00 lakhs but upto and including equivalent of Rs. 10 lakhs @ **0.06893%** with a minimum of **Rs. 552/-** per bill.

(iii) For bills of value over equivalent of Rs. 10 lakhs but upto equivalent to Rs. 1 crore @ **0.034468%** with a minimum of **Rs. 1103/-** per bill.

(iv) For bills of value above equivalent of Rs. one crore @ **0.000551%** with a minimum **Rs. 5,515/-** per bill.

##### **(b) (i) Periodicity / manner of collection of charges**

The charges will be levied on bills purchased/discounted/negotiated on the Rupee value as arrived at on the date of purchase/discount/negotiation. For Bills handled on collection basis the Rupee value as applicable on the date of payment of proceeds to the tenderer will be reckoned. These charges are to be recovered at the time of purchase/discount/negotiation in respect of bills purchased/discounted/negotiated and at the time of realisation in respect of bill sent for collection.

(ii) Bills handled on collection basis but not paid as per the apparent tenor of the bill will attract the charges on the rupee value arrived on the basis of the exchange rate ruling on the national due date or actual due date whichever is earlier and will become due to the bank as on the said date.

(iii) In respect of bills handled on collection basis and remaining unpaid beyond 30 days from the notional due date or actual due date (whichever is earlier) these charges shall be collected from the tenderer

immediately thereafter. If such bills get paid at a subsequent date, the handling charges shall not be collected again.

**(c) Charges for overdue bills :**

Those bills, proceeds of which are not received on or before the notional due date or actual due date whichever is earlier, in our designated foreign currency account / in Rupees in India, will attract additional handling charge of **Rs. 276/-** (flat) per bill per quarter or part thereof. These charges shall be recovered on a calendar quarter basis, commencing from, the quarterly period in which the bill was due for payment and will be in addition to swap differences if any, on bills purchased/discounted/negotiated. Levying of charges under this provision is exempted on bills drawn on buyers situated in Countries facing externalisation problems, provided such bills have been paid on local currency of the Drawee Country, in full, on or before the due date.

**(d) Bills sent to other banks :**

(i) Bills drawn under Letters of Credit restricted to / confirmed by another Bank and to be forwarded by us to the latter or are to be routed through any other Bank for any other reason shall also attract the handling charges as above.

**(e) Extension of due date / change of tenor etc:**

Requests for change of tenor / extension of due date shall be processed by the bank as per the applicable exchange control regulations and communicated to the drawee only after obtaining requisite approvals from the Reserve Bank of India, if required. Each request processed by the bank will attract charges for " overdue bills " as per (c) above. In respect of bills purchased/ discounted / negotiated swap differences if any, shall, however, be payable additionally.

**(f) Indemnity/Guarantee to other Banks :**

Where the bank has to join in a customer's indemnity / guarantee covering discrepancies on bills drawn under letters of credit restricted to / confirmed by another bank and presented to the latter for negotiation, commission at the rate applicable for issue of Inland (Domestic) Guarantee shall be recovered additionally. The commission shall be recovered for a minimum period of one month or actual validity period whichever is longer.

(g) (i) Where full set of export documents had been sent abroad directly by the exporter with specific or general approval of the Reserve Bank of India and only the relative GR forms etc are surrendered to the

Bank for onward submission to Reserve Bank of India in compliance with exchange control regulations, a flat charge of Rs. **276/-** for each GR/PP/SDF/EP/SOFTEX etc. form shall be levied, irrespective of the value.

- ii) Where full payment has been received in advance through us and export documents are tendered merely to be forwarded to the buyer abroad and for surrender of GR etc. forms to RBI as per exchange control regulations, the charges as per 1.1.1(a) shall be collected on the value of the documents.

### **1.1.2. Commission in lieu of Exchanges :**

Commission @ **0.1378%** of the value of transaction shall be levied on the following transactions :

- (i) Where the exporter had availed pre-shipment advance from our bank, for an export shipment and tenders export documents to another Bank for any reason and arranges remittance of bill proceeds to us in Rupees, on the value of the pre-shipment advance so liquidated.
- (ii) Where proceeds of a foreign currency bill sent/handled directly by us is settled by the collecting bank abroad, in Indian Rupees, through another bank in India.
- (iii) On that part of the foreign currency proceeds of an export bill, to be credited in foreign currency to the foreign currency EEFC account of the tenderer either with us or with any other bank.
- (iv) Bills covering "deemed export" transactions (as specified by RBI/EXIM Policy) and settled in Rupees.

1.1.3 Bills covering export leg of the Merchanting Trade being done from India will also attract handling charges as per the stipulations vide 1.1.1 and 1.1.2 as appropriate.

## **1.2 Export Letters of Credit :**

### **1.2.1 Advising charges for hand on credits :**

- (i) The Letters of Credit opened by banks abroad, covering exports from India as well as subsequent amendments advised through us will not attract any advising charges.
- (ii) Where the Letters of Credit cover Merchanting Trade (as stipulated under Exchange Control Regulations) an advising charge of **Rs. 552/-** shall be recovered on the Letter of Credit and **Rs. 276/-** on each subsequent amendment.

### **1.2.2. Confirmation of Credits :**

Letters of Credit opened by the banks abroad and confirmed by us as per the arrangements in force shall attract the following charges [to be credited to commission (Foreign)]. The confirmation shall be done only after prior clearance from International Banking Division, H.O. No confirmation shall be done without express request from the credit opening bank or from the beneficiary.

#### **(a) Commitment charge :**

- (i) Commitment charge at the rate of **0.16545%** for every quarter or part thereof for the full period of validity shall be recovered.
- (ii) If the validity period is extended, further charges at the same rate shall be collected for each additional quarter or part thereof.

#### **(b) Usance charge :**

Usance charge based on the tenor of the bills to be drawn under the credit as per the following scale :

- (i) For bills upto 10 days sight - **0.16545%**
- (ii) For bills over 10 days sight but upto and including 3 months sight - **0.33090%**
- (iii) For bills over 3 months sight - **0.33090%** for the first 3 months and **0.08272%** for each additional month or part thereof.

If the original usance period is subsequently increased, additional charges to cover the extended period shall be recovered.

Letters of Credit calling for bills with usance exceeding six months from the date of shipment shall not be confirmed.

#### **(c) Country Risk Premium :**

To cover the expenses of obtaining cover under ECGCI Ltd.'s Transfer Guarantee, in those cases so stipulated by IBD, the actual premium paid to ECGCI Ltd. shall be recovered additionally.

Letters of Credit calling for bills with usance exceeding six months from the date of shipment shall not be confirmed.

### **1.2.3 Transferable Letters of Credit :**

Where transfers are required to be made under a Letter of Credit either in full or in part, whether endorsed in the original credit or not, each advice of transfer shall attract a flat charge of **Rs. 276/-**

#### **1.2.4 Acceptance Commission :**

Usance bills under Letter of Credit opened by banks abroad by beneficiaries in India drawn on and accepted by us, will attract acceptance charges at the rate of **0.16545%** per month or part thereof.

#### **1.2.5. Reimbursement charge :**

- (i) For each claim of value upto and including Rs. 2 Lakh - **Rs. 276/-**
- (ii) Above Rs. 2 Lakhs but upto Rs. 10 Lakhs - **Rs. 552/-**
- (iii) Above Rs. 10 Lakhs - **Rs. 1,103/-**

#### **1.2.6 Certificate / Miscellaneous services :**

- (i) Certification of additional copies of Export invoices tendered along with the export documents shall be done free of charge. Requests for attestation/certification of invoice on a subsequent date will attract a charge of **Rs. 11/-** per invoice.
- (ii) Each set of Bank Certificates of exports in the format prescribed under Export - Import Policy in force, shall attract a charge of **Rs. 56/-** per set. The invoices attached to the certificate will be certified without additional charge.
- (iii) A charge of **Rs. 276/-** shall be levied for forwarding to Reserve Bank of India each application for extension of time limit for repatriation of proceeds of export bills pending for realisation with us.
- (iv) Attestation of signatures of exporters in various documents, to be submitted to various authorities will be done free of charge.
- (v) Certificates indicating the status of bills outstanding beyond a prescribed period of realisation shall be charged at **Rs. 111/-** per certificate.
- (vi) Other certificates / attestations shall be normally issued/made free of charge. But Branch Heads may levy a reasonable charge at their discretion for these, if considered necessary, on a case of case basis.

## **2. IMPORTS :**

### **2.1 Import Letters of Credit :**

- (a) Following charges shall be levied for opening Import Letters of Credit :
  - (i) Commitment charge on the full value of the credit for the full validity of the credit at **0.16545%** per quarter or part thereof.

Plus usance charge as per the tenor of the bills to be drawn there under :

- (i) at **0.16545%** for bills upto 10 days sight
- (ii) **0.33090%** for bills over 10 days but upto 3 months' sight
- (iii) at **0.33090%** for the first 3 months and at **0.08272%** per month or part thereof in excess of 3 months, subject to a maximum of 6 months from the shipment date.

**(b) The charges shall be levied as under ;**

- (i) For the first Rs. 4 Crores - Full Charges as per (a) above
  - (ii) For amounts in excess of Rs. 4 crores but upto Rs. 8 crores - 50% of (a) above
  - (iii) For amounts in excess of Rs. 8 crores but upto Rs. 16 crores - 25% of (a) above
  - (iv) For amounts in excess of Rs. 16 Crores - 10% of (a) above
- (c) Charges for Letters of Credit established against cash deposit by the opener covering the full value of the credit shall be charged at 50% of the rates, prescribed above.
- (d) Notwithstanding the provisions of (a), (b) and (c) above, a minimum commission of **Rs. 276-** shall be levied for opening a credit.
- (e) Extension of validity / enhancement in value / increase in tenor.
- (i) For each extension of the validity of the credit, additional commitment charge shall be collected subject to scales laid down in the 2.1 (a) (i) with a minimum commission of **Rs. 276/-**
  - (ii) For enhancement in value of the credit, both commitment and usance charges as per 2.1 (a) above, shall be collected, with scales specified at 2.1 (b) being applied with reference to the unutilised value of the credit at the time of enhancement and the enhancement proposed, subject to a minimum of **Rs. 276/-**
  - (iii) For enhancement in the usance period additional charges as per 2.1 a(ii) and/or (iii) shall be collected subject to 2.1 (b) above and subject to a minimum of **Rs. 276/-**. Where usance/ tenor is curtailed, no refund of charges shall be made.

- (f) Charges once collected shall not be refunded either on account of non-utilisation or part utilisation by the beneficiary of the credit.
- (g) Credits expiring unutilised will be reinstated, at the sole discretion of the bank and subject to recovery of both commitment and usance charges as calculated for the extended period. But request for reinstatement should be made within one month from the last date for negotiation prescribed under the expired credit. Belated requests shall be handled as requests for opening fresh Letters of Credit and charges accordingly.

## **2.2 Revolving Import Letters of Credit :**

Revolving Letters of Credit covering imports into India shall not normally be opened. But, if opened, with the specific approval of the competent authority, the Letters of Credit shall specify the value of total drawings as well as maximum value for each drawing. Under no circumstances, automatic revolving Letters of Credit shall be opened.

At the time of establishment, charges as per scales at 2.1 (a) shall be collected. For each reinstatement charges as per 2.1 (b) shall be collected as if it is an enhancement of the outstanding liability. Each enhancement will carry an additional reinstatement fee of Rs. **276/-**

## **2.3 Letters of Credit providing for payment of interest / tolerance levels :**

In all Letter of Credit, where payment of interest at specified rates and or tolerance levels are permitted, the recovery of commission shall be based on the value of the Letters of Credit inclusive of these components to the appropriate extent.

## **2.4 Deferred Credits :**

- (a) Deferred Credits shall be opened only with the specific approval of the competent authority and subject to approval under the Exchange Control Regulations.
- (b) Such credits when opened will attract the same charges as applicable to Letters of Credit Vide 2.1 above, except that usance period shall not exceed the terms permitted as per the regulations/approvals in force.
- (c) The competent authority may, if so requested by the openers, permit recovery of the charges on instalment basis. Where permitted, the permission shall stipulate that:
  - (i) Charges due till the end of the financial year shall be recovered upfront and for further periods on an annual basis to be paid in the beginning of the financial year.

- (ii) If the Letters of Credit are denominated in a foreign currency, for the purpose of recovery of the charges, the charges for the duration of the deferred credit for each financial year shall be arrived at in the currency of the credit and the TT buying rate for the currency at the beginning of each successive financial year, shall be applied to convert and arrive at the Rupee value of the charges for that particular year.

## **STANDBY LETTERS OF CREDIT:**

Standby letters of Credit covering **imports into India** will attract service charges as applicable to **"All other Guarantees" under Item 3.5.**

Standby letters of Credit covering **imports for export purposes** will attract service charges as applicable to **"Other guarantees covering exports / export obligations/ deemed exports etc. other than project exports covered by 3.2 " under Item 3.3.**

### **2.5 Import Bills :**

#### **2.5.1 Bills Under Letter of Credit :**

- (a) Commission at the following rates shall be recovered on bills received under Letters of Credit opened by us :

	<b>Foreign Currency Bills</b>	<b>Rupee Bills</b>
(i) Bills of value upto equivalent of Rs.4 Crores	<b>0.16545%</b>	<b>0.2757%</b>
(ii) Bills in excess of equivalent of Rs. 4 Crores		
a) On first Rs. 4 Crores	<b>0.16545%</b>	<b>0.2757%</b>
b) Over Rs. 4 Crores but upto Rs. 8 Crores	<b>0.08272%</b>	<b>0.1378%</b>
c) Over Rs. 8 Crores but upto Rs. 16 Crores	<b>0.04136%</b>	<b>0.06893%</b>
d) Above Rs. 16 Crores	<b>0.020681%</b>	<b>0.034468%</b>

However, a minimum commission of **Rs.276/-** shall be recovered on each bill.

- (b) (i) A discrepancy fee in the following scale will be charged for each set of discrepant documents presented. These shall be normally charged to the tenderer of the documents.

Value upto USD 100,000/-	<b>USD 55.15</b>
Exceeding USD 100,000/- but upto USD 500,000/-	<b>USD 110.30</b>
Above USD 500,000/-	<b>USD 220.60</b>

- (ii) Where the bill received is discrepant and is sought to be accepted by the openers, an additional fee of **Rs. 276/-** per bill, shall be charged.
- (c) Where a Letter of Credit permits part shipments or specifies the size of each drawings and many such drawings are presented by the negotiating bank under one covering schedule, for the purpose of charging the handling charges, each drawing shall be treated as independent bill and shall not be clubbed to provide the benefit of reduction in the scale of charge.
- (d) On Demand/Bills payable at sight but not retired within 10 days of presentation and usance bills not retired on due date shall be liable for late payment fee at a fixed rate of **0.16545%** (flat) on the value of the bill. (to be credited to Commission (Foreign) Account)
- (e) A commission in lieu of exchange at the rate of **0.1378%** of the bill amount shall be levied on foreign currency bills on which no exchange accrues to the bank (For Example, reimbursement is to be made in Rupees/payment is made out of foreign currency resources of importer like those in EFFC/RFC account balances)

## **2.5.2 Bills not covered under Letters of Credit :**

- 2.5.2.1** (a) Following scale of commission shall be levied on import bills not under Letters of Credit :

	Foreign Currency Bills	Rupee Bills
<b>(i)</b> Bills of value upto equivalent of Rs. 4 crores	<b>0.2757%</b>	<b>0.4136%</b>
<b>(ii)</b> Bills of value above equivalent of Rs. 4 crores		
On first Rs. 4 crores	<b>0.2757%</b>	<b>0.4136%</b>
Above Rs. 4 Crores upto Rs. 8 crores	<b>0.1378%</b>	<b>0.20681%</b>
Above Rs. 8 crores upto Rs. 16 crores	<b>0.06893%</b>	<b>0.103406%</b>
AboveRs.16crores	<b>0.034468%</b>	<b>0.051702%</b>

However, a minimum commission of **Rs. 272/-** shall be collected in all cases. In respect of usance bills this commission shall be recovered at the time of acceptance itself.

- (b) An additional commission in lieu of exchange at the rate of **0.1378%** shall be collected on all foreign currency bills, on which bank does not earn exchange profit including

those bills met out of balances held in importers foreign currency accounts.

- (c) On Demand/ at sight bills not paid within 10 days of presentation or usance bills not paid on due date shall be charged with late payment commission at a rate of **0.1378%** subject to a minimum of **Rs. 276/-** for every quarter.
- (d) If the due date of usance bills is sought to be extended, an additional commission of **Rs. 276/-** per extension shall be charged. Extensions resulting in the due date extending beyond 6 months from the date of shipment shall not be agreed to.

**Note :** Remittances of proceeds of bills of usance exceeding 3 months shall be made only on production of evidence of import.

### 2.5.2.2 Bills received directly by the importer :

Where the import documents are received directly by importers and payment is to be made by the bank, the following charges shall apply.

	<b>Bills on which Exchange profit earned by the bank</b>	<b>Bills on which Exchange profit is is not earned by the the bank</b>
Bills upto equivalent of Rs. 4 crores	<b>0.06893%</b> with a minimum of <b>Rs.276/-</b>	<b>0.20681%</b> with a minimum of <b>Rs. 276/-</b>
Above equivalent of Rs. 4 crores	<b>Rs. 11030/- flat</b>	<b>Rs. 13788/-flat</b>

**Note :** The remittances in all cases shall be made only subject to production of evidence of import.

### 2.5.2.3 Co-acceptance of import bills :

- (a) These facilities can be extended only in respect of parties enjoying limits for opening usance Foreign Letters of Credits/specific limits for the purpose and the liability including the proposed transaction being within such approved limit.
- (b) (i) Where the usance of the bills is 3 months or lower, a commission of **0.2757%** shall be charged. For tenor longer than 3 months additional commission @ **0.093755%** per month or part thereof shall be charged.

- (ii) The Commission at these rates shall be charged at full rates for the first Rs. 4 crores of part thereof subject to a minimum of Rs. **276/-**. For values in excess of Rs. 4 crores 50% of the rate shall be charged.
- (iii) Where no exchange benefit accrues to the bank additional commission at **0.1378%** shall also be charged.

**2.5.2.4 Deferred imports :**

- (a) Letters of Credit covering imports on deferred payment terms shall be charged commission at the rate of **0.5515%** per quarter or part thereof on reducing balances basis on the liability at the beginning of each quarter, for transactions of value upto equivalent of Rs. 4 crores. Where the value exceeds the equivalent of Rs. 4 crores, the charges may be collected as under.

On the first Rs. 4 crores	<b>0.5515%</b> per quarter
On that part above Rs. 4 crores but upto Rs. 8 crores	<b>0.2757%</b> per quarter
On that part above Rs. 8 crores but upto Rs. 16 crores	<b>0.1378%</b> per quarter
Above Rs. 16 crores	<b>0.06893%</b> per quarter

**2.5.2.5** Import documents covering project imports under inter - governmental Aid schemes (including those financed by international agencies like World Bank/IMF/ADB etc.) where no letters of credit are opened.

Commission at **0.2757%** with a minimum of **Rs. 276/-** and a maximum of **Rs. 2757/-** shall be recovered.

**2.6. Merchanting Trade :**

- (a) Import leg of the Merchanting Trade shall be charged with commission etc. as per rates applicable for imports into India.
- (b) Where the bills are met out of foreign currency funds, representing the proceeds of advance remittances by the foreign buyer held in the Bank's Nostro account, additional commission in lieu of exchange at **0.1378%** shall be collected.

**3. GUARANTEES :**

**3.1 Missing Bills of Lading :**

- (a) Guarantees to be issued to Shipping Companies/agencies for release of goods pending production of original Bills of Lading, to be received under Letters of Credit opened by the bank will be subject to a commission at a flat rate of

**Rs.276** per guarantee.

- (b) Guarantees in respect of Bill of Lading not covered by Letters of Credit issued by the bank shall not be normally issued. Where such guarantees are required to be issued, they shall be issued with specific prior request of the consignor through their bankers at their risk and will be issued for a maximum period of 3 months initially and with a commission at **0.2757%**. Guarantees not extinguished within three months will attract additional commission at **0.16545%** per month or part thereof for further period for which they remain current.

### **3.2. Project exports :**

#### **For Bid bonds/Bonds in lieu of EMD/ performance guarantees / Advance Payment Guarantees:**

- (a) With ECGC cover at exporters' cost
- |                                     |                      |
|-------------------------------------|----------------------|
| If 75% cover is available from ECGC | <b>0.49635% p.a.</b> |
| If 90% cover is available from ECGC | <b>0.38625% p.a.</b> |
- (b) Against counter-guarantee by Government of India -  
**0.33090% p.a.**
- (c) Against 100% cash deposit - **0.2757% p.a.**
- (d) Others - **1.1030% p.a.**

### **3.3. Other guarantees covering exports / export obligations/ deemed exports etc. other than project exports covered by 3.2 above.**

Commission at **0.093755%** p.m. for the specified period of liability subject to a minimum of **0.2757%** for the validity period. In case of early redemption, 50% of the commission levied for the period between the date of expiry and the date of redemption shall be refunded, provided a minimum commission of **0.2757%** is recovered on the transaction.

In respect of bid bonds in connection with direct/deemed exports, commission shall be recovered only to the extent of 25% of the commission leviable for the transaction initially. If the bid is frustrated (if unsuccessful) further commission may not be recovered. In case the bid becomes successful, the balance portion of the commission shall be recovered immediately thereafter.

### **3.4 Deferred Payment Guarantees for imports:**

**0.5515%** per quarter or part thereof on the basis of reducing balance as at the beginning of each quarter, calculated for the period of validity of the guarantee. Requests for collection of applicable commission in annual instalments are to be referred separately for consideration on a case-to-case basis. In such

cases, the Rupee equivalent of the foreign currency amount shall be arrived at based on the exchange rate prevailing on the date when annual instalments fall due.

### **3.5 All other guarantees :**

**0.16545%** per month for the specified period of liability plus additional 3 months, subject to a minimum of **0.2757%**.

General : In all cases, the minimum guarantee commission will be. **0.2757%** of the amount of guarantee or **Rs. 552/-** whichever is higher. In case of early redemption, 50% of commission recovered earlier shall be refunded subject to total commission recovered not being less than **0.2757%** of the amount of guarantee or **Rs. 552/-** whichever is higher.

### **4. Forward Exchange Contracts :**

Purchase/Sale contract : **Rs. 276/-** per contract (Fixed)

Stamp duties if any are for the account of the customer. Contracts booked on behalf of NRIs covering funding/repatriation/local disbursements out of balances held NRE/FCNR (B) accounts will however, be exempt from the charges.

### **5. Brokerage on inter-bank contracts**

#### **Rate for USD one million or equivalent**

- (a) For all currencies against Rupees
  - (i) Spot and outright forward contracts **Rs. 1103/-**
  - (ii) Short swaps (i.e. forward leg is due within next two working days) **Rs. 552/-**
  - iii) long swaps (i.e. other than those covered by (ii) above for both legs **Rs.1379/-**
- (b) Switches **Rs. 552/-**

### **6. Rupee drawing by Non-resident Banks/Exchange House :**

- (a) Noting stop payment/exercising caution on drafts reported lost **Rs. 56/-+ actual postage/ telex/fax expenses**

(The quantum of charge shall be advised to the issuer while confirming the noting and is to be recovered by claiming from FTMD on account of the concerned Vostro Account (through the FRRRA System) quoting a reference to the instructions from the issuer.

#### **(b) Payment of TTs**

- i) for beneficiary's account at the same **Rs. 56/-** branch/ different branch/different bank at the same centre.

- (ii) for beneficiary's account at other upcountry branches/banks **Rs. 56/- +** actual postage/telegram expenses to be recovered extra

These charges are to be recovered out of proceeds of the TTs unless specified in the TTs otherwise

## **7. Remittances**

### **7.1 Remittances Inward**

- (i) Payment/encashment of Foreign Currency TTs/ MTs/ payment Orders/ Demand Drafts drawn on our Bank and payable in India:

- (a) Where cover has been credited to our Nostro account:

- (i) For payment in Rupees for beneficiary's account at the same branch/different branch of the bank at the same centre/different bank at the same centre;

**Rs. 83/-**

- (ii) For payment in Rupees for beneficiary's account held at a branch of bank at a different centre/another bank:

**Rs. 83/-+ actual postage expenses + commission as applicable to domestic Rupees remittances.**

#### **(b) Where cover has to be claimed on payment :**

Charges as per (a) (i) or (ii) above plus interest at PLR for 15 days are to be collected if payment is desired immediately. If payment is to be made after receipt of the cover interest is not to be recovered.

- (c) Where remittance has to be settled in the currency of remittance, in favour of beneficiary's account, charges as per (a) or (b) above as applicable and additional commission of **0.1378%** in lieu of exchange shall be recovered.

#### **(ii) Foreign Currency Instruments payable abroad (instruments payable in India will attract commission as applicable to domestic business)**

- (a) If proceeds are to be paid only after realisation -

commission at **0.2757%** subject to a minimum of **Rs. 11/-** and a maximum of **Rs. 11,030/-** postage/telex expenses and Foreign Bank's charges are to be collected additionally.

- (b) If instruments are to be purchased (with the approval of competent authority)- commission at **0.2757%** subject to a minimum of **Rs. 11/-** and a maximum of **Rs. 11,030/-** and interest at rates applicable to similar domestic

transactions, for a period 15 days. Postage, telex expenses and Foreign Bank's charges if any are to be recovered separately.

In case of delay in credit to our 'Nostro' account beyond 15 days of purchase, interest for the overdue period is recoverable at the same rates.

**Note :** Instruments (other than personal cheques) tendered by NRIs for credit to their non-resident accounts can be extended the facility of "instant credit at par" or can be collected free of charges. In respect of Rupee denominated instruments payable in India even collecting banks' charges if any may also be absorbed, as per Gen. Circular 41/99 dated 2.11.99.

## **7.2 (i) Certificates of Inward Remittance:**

(a) in security paper **Rs. 56/-** per certificate

(b) Plain paper/letter head **Rs. 28/-** per certificate

(ii) Issue of duplicate inward remittance certificate-commission at **0.11030%** of the amount of the remittance, with a minimum of **Rs. 111/-** and maximum of **Rs. 1103/-** per certificate (subject to compliance of provisions of General Circular No. 34/97 dated 25.11.97)

## **7.3 Remittances outward :**

### **(a) Issue of Drafts / TTs**

(i) On all Foreign Currency outward remittances (other than those relating to import transactions) where exchange profit accrues to the bank, a commission at **0.1378%** with a minimum of **Rs. 56/-** shall be charged.

(ii) On all Rupee denominated /Foreign Currency remittances on which no exchange profit accrues to the bank, additional commission of **0.1378%** shall be charged, in lieu of exchange.

(iii) Remittances relating to imports shall be levied with charges as applicable to handling of import bills.

### **(b) Issue of Foreign Currency Travellers Cheques:**

(i) commission at the discretion of the branches (not exceeding **1.1030%** of the Rupee value) may be charged on all Foreign Currency Travellers Cheques issued by the bank.

(ii) Where Travellers Cheques are issued against inward foreign currency remittances in the same currency, a commission of **0.2757%** shall be collected on the notional Rupee value of the travellers' cheques, in

addition to the discretionary commission as (i) above.

**8. Compensation for delay in settlement of proceeds :**

**(a) Inward remittances :**

- (i) Of value upto and including Rs. 1 lakh not paid within 10 days and (ii) of value exceeding Rs. 1 lakh where an intimation is not sent within 3 days of receipt, to the beneficiary are to be compensated with interest at 2% over the applicable Savings Bank rate on the Rupee value of the remittance. For the purpose of payment of such interest the number of days shall be reckoned from the day on which complete instructions were received at the hands of the paying branch.

**(b) Export bills sent on collection :**

On export bills handled on collection basis and paid abroad where proceeds are paid to the exporter after receipt of the amount in our Nostro account, interest at the minimum rate of interest charged on export credit shall be paid to the exporter, if the delay exceeds the following interval between the date of credit of proceeds in our Nostro account and the date of payment to the customer.

1. Where payment is to be effected in the same branch:  
1 day
2. Where payment is to be effected at the same centre but to another branch of the bank or to another bank:  
2 days
3. Where payment is to be effected to a branch of the bank or another bank at an outstation centre:  
3 days

**9. Service charges on sale and purchase of Foreign Exchange as per CBEC Notification No.19/2008 dated 10.05.2008 our General Circular No.51/2008 dated 09.09.2008 and General Circular No.05/2009 dated 03.02.2009.**

Commission on exchange conversion for all the transactions (with effect from 16.05.2008) including cross currency transactions involving sale or purchase of foreign currency against other currency for customer transactions as well as inter bank transactions has to be charged and applicable service taxes also to be collected.

Service charges and service tax on sale and purchase of Foreign

Exchange is to be collected as per the rates given in the following chart:

Size of the transaction	Service Charges Rs.	Service Tax @ 10.30%	Total Charges Rs. (Rounded off to nearest rupee)
Upto USD 500/- or equivalent in other currencies	25.00	2.58	28.00
Above USD 500/- and upto USD 10,000/- or equivalent in other currency	50.00	5.15	56.00
Above USD 10,000/- or equivalent in other currencies	100.00	10.30	111.00