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Company Laws

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Draft Guidelines on Export Data Processing and Monitoring System (EDPMS) – Relaxation in Procedures for Closure of Shipping Bills

Background & Context

In a progressive move aimed at reducing regulatory burden and streamlining export-related compliances, the Reserve Bank of India ("RBI") has released draft directions / guidelines on Export Data Processing and Monitoring System ("EDPMS") – Closure of Shipping Bills vide Press Release dated July 11, 2025. The guidelines are aimed at simplifying procedures for closure of small-value shipping bills (i.e.) shipping bills of value up to INR 10 lakhs (in equivalent foreign currency) under the Export Data Processing and Monitoring System.

EDPMS is a digital system introduced by RBI in Yr. 2014 to monitor and track export transactions and ensure due realisation of export proceeds. Over time, the system integrated data with ICEGATE (Customs) and ECCS (Express Cargo Clearance System). In a series of updates to the EDPMS the latest development is the addition of postal export bill data to encompass tracking of all forms of export transactions, thereby ensuring that no export transactions are left untracked. The inclusion of various transactions along with the significant increase in export transactions tracked under EDPMS has created a huge backlog in the system, the clearance for which has become cumbersome for the Authorised Dealer Banks ("AD Banks").

There have been various instances where EDPMS entries have remained open for minor variances, despite export proceeds having been realised.

Commercially too there could be instances where export proceeds could not be realised on account of price differences, quality issues or the insolvency / liquidation of the overseas customer. To ensure that export transactions are handled in a smoother manner and to reduce the burden on exporters with procedural matters, RBI has introduced the draft guidelines to streamline the exports monitored through the EDPMS.

The key / salient features of the measures proposed by RBI to reduce compliance burden on the small-value exporters as well as importers at large, given the huge number and frequency of small-value exports are as follows:

- A. The following procedure will be adopted by Authorised Dealer (AD) banks while handling shipping bills of value upto **INR 10 Lakhs** (or equivalent):
 1. Bills to be reconciled and closed in EDPMS on the self-declaration by the exporter, subject to providing of details of shipping bills and the amount realised against the same.
 2. Reduction if any in the declared export value of the bill, to be accepted by the AD Banks based on the declaration of the exporter.
 3. Such declaration from the exporter to be obtained on a quarterly basis by the AD Banks.

- B. No penal charges to be levied by AD Banks for delays in compliances under the new system (i.e.) quarterly clearance of shipping bills.
- C. Furthermore, AD Banks have been directed by the RBI to levy service charges that are reasonable and proportionate for clearance of shipping bills.

KCM Comments

The draft guidelines / directions released by the Reserve Bank of India for comments and recommendations of the stakeholders is one of the key steps taken to rationalize the export tracking process and ease the burden of the exporters. The recommendations once notified will instantaneously bring relief to a large majority of the exporters whose list of open items of EDPMS entries will see a considerable drop due to quick closure under the new system. This recommendation provides relief to not only small exporters but to a large set of exporters who will see the list coming down considerably once this Direction is notified.

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For further analysis and discussion, you may please reach out to us.

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