

# kcmFlash

## Company Laws

November 26, 2025

### Relief to Exporters – Extension in Time for Export Realisation and Shipment against Advance

#### Unlocking Compliance Flexibility

#### Reserve Bank of India's Foreign Exchange Management (Export of Goods & Services) Second Amendment Regulation 2025

India's export sector has consistently evolved in response to global economic trends and regulatory advancements, reflecting its adaptability and resilience in an increasingly dynamic international environment. Keeping in mind the dynamic environment, the Reserve Bank of India ("RBI") has released Foreign Exchange Management (Export of Goods and Services) Second Amendment Regulations, 2025 vide Notification No. FEMA 23(R)/(7)/2025-RB dated November 13, 2025 that marks a pivotal shift in India's export regulatory landscape from the Foreign Exchange Management (Export of Goods & Services)

Regulations, 2015 notified on January 12, 2016 ("Principal Regulations").

The Amendment introduces significant relaxations to the Indian exporters by extending timelines for realization and repatriation of export proceeds. The Amendment not only provides relaxation in realization and repatriation of export proceeds but also provides operational flexibility by extending timelines for completion of export shipments. These changes / amendments reflect the pro-active approach of RBI to extend maximum support and benefits to the exporters within the broader FEMA regulatory framework.

The Table below gives a comparative analysis between the Principal Regulations and the Second Amendment Regulations 2025 notified herewith:

Sr. No.	Particulars	Foreign Exchange Management (Export of Goods & Services) Regulations, 2015 Dt. January 12, 2016	Foreign Exchange Management (Export of Goods & Services) Second Amendment Regulations, 2015 Dt. November 13, 2025	KCM Remarks
A	Regulation 9 (Realization & Repatriation of Export Proceeds)			
1	Regulation 9 (1) & Regulation 9 (2)(a) (for regular exporters as well as SEZ units / EOU / all other exporters)	Realize and repatriate the full export value of goods / services within <b>nine (9) months</b> from the date of export.	Realization and repatriation period increased to <b>fifteen (15) months</b> from date of export.	This is for more operational convenience wherein the exporters need not approach AD Banks' seeking extension in time for realization of export proceeds, if export not realized or expected to be realized within nine months.

Sr. No.	Particulars	Foreign Exchange Management (Export of Goods & Services) Regulations, 2015 Dt. January 12, 2016	Foreign Exchange Management (Export of Goods & Services) Second Amendment Regulations, 2015 Dt. November 13, 2025	KCM Remarks
B	Regulation 15 (Export Advance)			
1	Regulation 15(1)(i)	Time Limit for Shipment from Advance:		Exporters enjoy an extended window to meet regulatory requirements and can also undertake long-term or large-scale export contracts with greater confidence, supporting strategic business growth.
		Where an Exporter receives an Advance, shipment of goods to be made within <b>one (1) year</b> from the date of receipt of such Advance.	Shipments can now be made up to <b><u>three (3) years</u></b> from receipt of Export Advance.	
2	Proviso to Regulation 15(1)	Time Limit for Refund of Advance in inability to Shipment		
		In case of the exporter's inability to make the shipment (either partly or fully) within <b>one (1) year</b> , refund of total / unutilized portion of Advance required prior approval of the RBI.	Limit for refund / payment of interest extended to <b><u>three (3) years</u></b> from the date of receipt of Advance payment, beyond which refund will require prior approval of RBI.	
3	Regulation 15(2)	Export Advance where shipment extends beyond One (1) Year		
		Exporter was permitted to receive Advance where shipment extended beyond <b>one (1) year</b> , subject to an Export Agreement in place.	Exporter now allowed to receive Advance where shipment extends beyond <b><u>three (3) years</u></b> , other conditions remaining the same.	

### KCM Comments

The amendments are a welcome relief for the exporters who have been grappling with procedural challenges with various AD Banks. This step is in the right direction which will aims towards extending help and assistance to exporters in operational areas including better cash management.

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

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