MUFG Bank – India Branches

Cross-Border Transactions Framework

Document Owner: Bank Operations | Approved By: Country Executive Committee

Policy Version: 1.0

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Review Frequency: Annual or upon regulatory change

Applicability: MUFG Bank India Branches and Operations

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1. Purpose

This Policy establishes the governance, control, compliance, operational, and service framework for processing cross-border transactions by MUFG Bank India.

The Policy is designed to:

- Ensure compliance with FEMA, RBI regulations and other applicable laws.
- Establish consistent standards for processing cross-border transactions.
- Promote customer transparency and service excellence.
- Mitigate financial crime, sanctions, fraud, operational and regulatory risks.
- Establish accountability and governance for cross-border activities.
- Support timely and accurate regulatory reporting to the respective Regulatory bodies.
- Provide a framework for customer service standards and operational resilience.

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2. Scope

This Policy applies to all cross-border transactions facilitated by MUFG Bank India under applicable FEMA, RBI and other regulatory requirements, including current account transactions, capital account transactions and trade finance transactions

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3. Regulatory Framework

All cross-border transactions are governed by:

- Foreign Exchange Management Act, 1999 (FEMA)
- FEMA Rules and Regulations issued thereunder
- RBI Master Directions and Circulars
- Prevention of Money Laundering Act, 2002 (PMLA)
- KYC Master Directions
- Applicable sanctions, laws and regulations
- Anti-Bribery and Corruption requirements
- MUFG India Policies and Procedures including Red Flag/Sanction policies

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4. General Principles

Prior to execution of any cross-border transaction, MUFG shall ensure:

Customer Due Diligence

- KYC compliance
- Beneficial ownership verification
- Customer risk assessment
- Periodic review requirements
- Customer profile validation

Purpose & Documentary Verification

- Review of authenticity
- Verification of underlying transactions
- FEMA eligibility assessment
- RBI purpose code validation
- Review of supporting documentation

- Verification of completeness
- Verification of consistency
- Timely reporting submissions to Regulators

Financial Crime Controls

- Screening Sanctions
- AML monitoring
- Fraud checks
- Adverse media screening where applicable
- Investigation of alerts

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5. Current Account Transactions

5.1 Export of Goods

Documentation

- Export Invoice
- Shipping Bill/Softex Forms
- Bill of Lading / Airway Bill
- Export Declaration Documents
- Customer Instructions

TAT:

- Same business day for complete inward credits received before applicable cut-off(Subject to FEMA Compliance).

5.2 Export of Services

Documentation

- Invoice
- Service Agreement
- Proof of Service Delivery/Auditor Certificate

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

5.3 Import Payments for Goods

Documentation

- Bank prescribed remittance application
- Customer declaration
- Commercial Invoice
- Purchase Order / Contract
- Bill of Entry details where applicable
- Transport Documents

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

5.4 Import Payments for Services

Documentation

- Customer declaration
- Invoice
- Service Agreement
- Form A2
- Tax Documentation (Form 145/146) where applicable
- FEMA Declaration

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

5.5 Advance Import Remittances

Documentation

- Proforma Invoice
- Import Contract
- Purchase Order
- Advance Payment Bank Guarantee if the amount exceeds USD 500,000/- (eqv.)
- Customer OGL Declaration

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

5.6 Other Current Account Transactions

Including:

- Subscription Fees
- Membership Fees
- Royalty & Dividend Payments
- Technical Service Fees
- Consultancy Charges
- Software Payments
- Freight Payments
- Commission Payments
- Professional Fees
- Other payments as permitted by FEMA under Current account guidelines

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- Documents Required:
- Invoice / Debit Note from the overseas beneficiary
- Agreement / Contract / Purchase Order

- Purpose of remittance declaration
- Form A2 (if applicable through the bank)
- FEMA compliance and regulatory declarations
- Tax documents:
- CA Certificate (Form 15CB), where applicable
- Form 15CA filing acknowledgement
- Other relevant documents, based on the nature of the transaction.

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

5.7 Merchanting Trade Transactions

Documentation

- Import Contract
- Export Contract
- Packing List
- Insurance documents
- Merchanting Trade Declaration
- Shipping Documents

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

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6. Trade Finance Transactions

6.1 Import Letter of Credit

Documentation

- LC Application

- Proforma Invoice
- Purchase Order
- Credit Approval Documentation

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

6.2 Export Letter of Credit

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

6.3 Documentary Collections

Includes:

- Import Collections
- Export Collections

MUFG shall process collections in accordance with applicable ICC rules and internal procedures.

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

6.4 Export Bill Negotiation and Discounting

MUFG may negotiate or discount export bills subject to:

- Credit approval
- Documentation compliance

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

6.5 Guarantees and Standby Letters of Credit

MUFG may issue:

- Financial Guarantees
- Performance Guarantees
- Advance payment guarantees
- Standby Letters of Credit

subject to applicable RBI and internal requirements.

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

6.6 Export Finance

Includes:

- Pre-Shipment Finance
- Post-Shipment Finance

subject to applicable credit approval requirements.

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

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7. Capital Account Transactions

7.1 Overseas Direct Investment (ODI)

Documentation

- Board Resolution
- ODI Forms (Form FC)
- Form A2
- Investment Agreement
- Valuation Reports where applicable
- Other documents as per type of financial commitment

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

7.2 Foreign Direct Investment (FDI)

Documentation

- Foreign Inward remittance certificate (FIRC)
- Investor KYC
- Subscription Documents
- Regulatory Filings
- Valuation certificate

CS certificate, NR declaration, etc. as per FIRMS user manual

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

7.3 External Commercial Borrowings (ECB)

Documentation

- Loan Agreement
- LRN Documentation
- ECB Filings
- Board Resolution
- Form ECB / Revised Form ECB 1

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

7.4 Overseas Asset Acquisition

Documentation

- Acquisition Agreement
- Valuation Reports
- Regulatory Declarations

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

7.5 Repatriation Transactions

Documentation

- Tax Documents
- Investment Evidence
- Supporting Regulatory Documentation

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

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8. Digital Channels

Cross-border transactions may be initiated through:

- Internet Banking
- Host-to-Host Platforms
- SWIFT Channels
- Approved Digital Submission Channels-TPS

Electronic documents may be accepted subject to applicable laws and internal controls.

TAT

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance.

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9. Documentation Standards

Mandatory Requirements

- Remittance Request
- Required Declarations
- Underlying Commercial Documentation
- Supporting Agreements
- Regulatory Forms where applicable

Additional Documentation

MUFG may request additional information where required for:

- AML review
- Sanctions review
- Enhanced due diligence

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10. SERVICE LEVEL AGREEMENT (SLA) AND CUT-OFF TIMES

Policy Statement

MUFG shall process cross-border remittance transactions within the prescribed service standards, subject to:

- Complete and accurate documentation
- Availability of customer funds
- Successful sanctions and AML screening
- Treasury rate availability
- Regulatory compliance checks
- Correspondent bank cut-offs
- Applicable market and settlement system availability

Transactions received after prescribed cut-off times may be processed on a best-efforts basis or on the next business day.

10.1 Outward Remittance Transactions

Current Account Transactions

Activity	Customer Cut-Off	Treasury Cut-Off	SLA
Outward Remittance Application	1:30 PM	3:30 PM	Same Day
MT101 / Pain.001 Transactions (Lot 1)	10:00 AM	3:30 PM	Same Day
MT101 / Pain.001 Transactions (Lot 2)	12:30 PM	3:30 PM	Same Day
MT101 / Pain.001 Transactions (Lot 3)	1:30 PM	3:30 PM	Same Day
Advance Telex Confirmation	T-1 Business Day	5:30 PM	T-1 Business Day
Cash Remittance Transactions	10:00 AM	10:30 AM	Same Day

- Same business day for complete and compliant transactions received before applicable cut-off Subject to FEMA Compliance

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10.2 Inward Remittance Transactions

Activity	Customer Disposal Cut-Off	Treasury Cut-Off	SLA
Inward Remittance Processing (Lot 1)	11:00 AM	3:30 PM	Same Day
Inward Remittance Processing (Lot 2)	12:30 PM	3:30 PM	Same Day
Inward Remittance Processing (Lot 3)	2:00 PM	3:30 PM	Same Day
Inward Remittance Processing (Lot 4)*	3:00 PM	4:30 PM	Same Day
Customer Disposal Processing	4:00 PM	5:30 PM	Same Day

Last inward download from T24 shall typically occur at 3:00 PM for same-day processing.

*Post 08th Oct 2026, additional lot 4 is being added to adhere with the RBI guidelines.

10.3 Trade Finance Transactions

Export Transactions

Product	Cut-Off	SLA
Export LC Advising	4:00 PM	Same Day
Export LC Amendment Advising	4:00 PM	Same Day
Export LC Confirmation	4:00 PM	Same Day
Export Bill Dispatch Under LC	12:00 PM	Same Day

Export Bill Dispatch Under Non-LC	12:00 PM	Same Day
Export Open Account Lodgment	2:00 PM	Same Day
Export Open Account Settlement	12:00 PM	Same Day
GR Waiver	2:00 PM	Same Day
Export Collection Settlement	1:00 PM	Same Day
Merchant Trade Transaction Dispatch	12:00 PM	Same Day
Merchant Trade Transaction Non-Dispatch	2:00 PM	Same Day

Export Trade Finance

Product	Customer Cut-Off	Treasury Cut-Off	Processing Cut-Off	SLA
ARPS	1:00 PM	4:00 PM	6:00 PM	Same Day
PSFC	1:00 PM	4:00 PM	6:00 PM	Same Day
LCBD INR	1:00 PM	N/A	6:00 PM	Same Day

Import Transactions

Product	Customer Cut-Off	Treasury Cut-Off	Processing Cut-Off	SLA
Import LC Issuance	2:00 PM	N/A	6:00 PM	Same Day
Import LC Amendment	1:00 PM	N/A	6:00 PM	Same Day
Import Bill Collection Under LC	1:00 PM	N/A	6:00 PM	Same Day

Import Bill Collection Non-LC	1:00 PM	N/A	6:00 PM	Same Day
Import Bill Acceptance	1:00 PM	N/A	6:00 PM	Same Day
Import Bill Payment	1:00 PM	4:00 PM	6:30 PM	Same Day
Shipping Bill Guarantee	1:00 PM	N/A	6:00 PM	Same Day
Airway Bill Release	1:00 PM	N/A	6:00 PM	Same Day
Buyers Credit	1:00 PM	N/A	6:00 PM	Same Day

Guarantees

Product	**Customer Cut-Off**	**Processing Cut-Off**	**SLA**
Foreign / Counter Guarantee Issuance	1:00 PM	6:00 PM	Same Day
Domestic Guarantee Issuance	1:00 PM	6:00 PM	Same Day
Foreign / Counter Guarantee Amendment	1:00 PM	6:00 PM	Same Day
Domestic Guarantee Amendment	1:00 PM	6:00 PM	Same Day

Foreign Guarantee Invocation Payment	1:00 PM	6:00 PM	Same Day
Domestic Guarantee Invocation Payment	1:00 PM	6:00 PM	Same Day

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11 Capital Account Transactions

Given the enhanced regulatory review requirements applicable to capital account transactions, standard turnaround times are as follows:

Transaction Type	SLA
FDI Inward Receipt Registration	Same Day
FIRC / FIRA Issuance	Same Day to T+1
Overseas Direct Investment (ODI) Remittance	Same Day, subject to complete documentation
ECB Drawdown Processing	Same Day
Capital Repatriation	Same Day
Overseas Asset Acquisition Remittance	Same Day

Where regulatory approval, valuation reports, auditor certificates, legal review, or compliance clearance is required, timelines may be extended.

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12. Fees and Charges

https://www.bk.mufg.bank.in/global/globalnetwork/asiaoceania/india/pdf/schedule_of_fees_and_charges_apr_2024.pdf

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13. Customer Communication

Customers shall receive, where applicable:

- Transaction confirmations
- SWIFT references
- Advice of credit
- Status updates
- Rejection notifications
- Requests for additional information

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14. Complaint Handling and Escalation

Customer_Grievance_Redressal_Escalation_Mechanism.pdf

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15. Record Retention

Records relating to cross-border transactions shall be retained in accordance with:

- FEMA requirements
- RBI requirements
- PMLA requirements
- Applicable laws
- MUFG Record Retention Standards

Where required, records shall be retained beyond prescribed periods due to litigation, regulatory investigation, audit, or legal requirements.

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16. Policy Exceptions

Any exception to this Policy must:

- Be documented.
- Be approved by authorized personnel.
- Be retained for audit purposes.
- Be escalated to Compliance where appropriate.

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17. Policy Review

The Policy shall be reviewed:

- At least annually; or
- Earlier if required by regulatory, business, operational, or risk-related developments.

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18. Disclaimer

All cross-border transactions remain subject to:

- FEMA and RBI regulations.
- Applicable local and foreign laws.
- AML and sanctions requirements.
- Correspondent bank requirements.
- Internal MUFG policies and procedures.

MUFG reserves the right to request additional information, suspend, reject, delay, report, or investigate any transaction where required by law, regulation, risk considerations, financial crime concerns, or internal policy requirements.

MUFG