



CO: INTERNATIONALBANKING DEPARTMENT

TRADE RELIEF MEASURES 2025 POLICY

(VERSION 1.0)

This Policy is the property of Indian Bank, and may not be reproduced or copied, in any form or by any means, in whole or in part, without prior permission of Indian Bank.

INDEX

	Description
A.	Eligibility Criteria
B.	Relief Measures
C.	Asset classification and provisioning
D.	Validity

Purpose

This policy outlines the framework for implementing the Reserve Bank of India's **Trade Relief Measures Directions, 2025** issued on **November 14, 2025**, which are intended to provide temporary relief to exporters facing global trade disruptions. The objective is to ensure uniform application across all branches, safeguard asset quality, and support exporters' cash flow.

The credit system of the country is statutorily mandated to be operated to its advantage by the Reserve Bank. In this endeavor, and with a view to mitigating the burden of debt servicing brought about by trade disruptions caused by global headwinds and to ensure the continuity of viable businesses, the Trade Relief Measures Directions, 2025 have been issued by the Reserve Bank of India (RBI), vide its notification No. RBI/2025-26/96 DOR.STR.REC.60/21.04.048/2025-26 dated November 14, 2025.

This policy has been framed on the basis of the guidelines contained in the directions, as above.

Objective

To provide financial relief to borrowers whose cash flows/business affected by the ongoing global trade disruptions

Scope

- Applicable to all term loans and working capital facilities extended to exporters.
- Covers pre-shipment and post-shipment export credit disbursed up to March 31, 2026.
- Applies to all eligible accounts across the Bank's domestic branches.
- Exporters who are not availing export credit limits but availing other credit facilities.

Salient Features of RBI Directions

A. Eligibility Criteria

Objective criteria for considering the relief measures:

- Delay in receiving payments for export proceeds, adversely impacting the cash flows of exporters
- Extension of due date of payment by the counterparties abroad
- Cancellation of export orders
- Renegotiation of price by buyers to align with higher tariff
- Shipment held up/ delayed due to uncertainty
- Volatility in freight cost or vessel shortage due to uncertainty
- Supply chain shift or shift in buyers' Location

Borrowers shall be deemed eligible for the above relief upon fulfilment of all the following conditions:

- i. The borrower is engaged in exports relating to any of the specified sectors mentioned in Annex I.
- ii. The borrower had an outstanding export credit facility from the Bank as of **August 31, 2025**.
- iii. The account(s) of the borrowers with all Regulated Entities (banks/NBFCs) was/were classified as **‘Standard’** as on **August 31, 2025**.
- iv. Regulated Entities (REs) other than those which have sanctioned the export credit facility to the borrower are required to satisfy themselves that the borrower qualifies under the criteria mentioned above, on the basis of a certification to be obtained from the RE(s) which has/have extended export credit to the borrower.

B. Relief Measures

(1) Moratorium/Deferment

For eligible borrowers, the following relief measures will be extended by Bank:

- i. In respect of all term loans, the Bank will grant a moratorium on payment of all instalments [principal and/or interest] falling due between September 1, 2025 and December 31, 2025 (“Effective Period”). The moratorium will be for three months upto March 31, 2026 (Moratorium Period).
- ii. In respect of working capital facilities sanctioned in the form of cash credit/ overdraft (“CC/ OD”), the Bank will defer the recovery of interest applied in respect of all such facilities during the effective period. The deferment will be valid upto March 31, 2026 (Deferment Period).
- iii. During the moratorium / deferment period, interest shall continue to accrue on the term loan instalments under moratorium and the deferred interest. However, interest application shall be on simple interest basis, without compounding effect, i.e., there shall be no interest on interest.
- iv. The accumulated interest on term loan during moratorium to be deferred will be converted into a funded interest term loan (FITL) which shall be repayable in up to a maximum of 6 instalments after March 31, 2026, but not later than September 30, 2026.
- v. In respect of term loans, the residual tenor of repayment will be extended for the number of months the moratorium has been taken.
- vi. In respect of working capital facilities, the Bank will, at its discretion, recalculate ‘drawing power’ by reducing the margins and/ or reassess the working capital limits, during the effective period.

Sanctioning authorities shall, in deserving cases, reassess working capital requirements beyond the originally effective period (Dec 31, 2025) where the borrower's working capital cycle has elongated, to ensure adequate liquidity support.

- vii. The accumulated interest on working capital facilities during moratorium period to be deferred and will be converted into a Funded Interest Term Loan (FITL). The amount will be repayable in upto maximum of 6 months after 31st March 2026, but not later than 30th September 2026.

(2) Extension of tenor for Export Credit

- Branches concerned shall permit an enhanced credit period not exceeding 450 days for pre-shipment and post-shipment export credit disbursed till March 31, 2026.
- In respect of packing credit facilities already availed by exporters on or before August 31, 2025, where dispatch of goods could not take place, branches concerned shall allow liquidation of such facilities from any legitimate alternative sources, including domestic sale proceeds of such goods or substitution of contract with proceeds of another export order. Where the liquidation is done from domestic sales proceeds the rate of interest will continue to remain the same as it was for export credit. There will not be any additional penal interest for the eligible accounts.

(3) Sanction of Advance against collection export bills

Relief measures for those exporters who are not availing export credit limits but availing other credit facilities as detailed below:

- Only Term Loan from the Bank but no PC /PSC limit
- Term loan and cash credit limit but no PC/PSC limit
- Only cash credit limit but no PC/PSC limit
- Not availed any credit facility.

For exporter -customers as detailed above who are sending export bills through the Banks for the collection of their proceeds, the Bank will provide post-shipment credit facilities in the form of “**Advance against collection Bills**” by various sanctioning authorities under the extant delegated powers.

Margin 10%

(4) Reduction on Margin on Pre-Shipment:

The margin on pre-shipment facilities has been reduced by 5% till the end of “*effective period*”.

C. Asset Classification and Provisioning

(1) Asset Classification

- The moratorium period / deferment, wherever granted, shall be excluded by the Bank while calculating the number of days past-due for the purpose of asset classification under the extant IRACP norms applicable.

- Grant of moratorium / deferment of instalments and recalculation of the 'drawing power' in accordance with these Directions shall not be treated as an event of restructuring in terms of extant regulations. Consequently, such a measure, by itself, shall not result in asset classification downgrade.
- After the expiration of the moratorium / deferment period, the asset classification shall be as per the extant IRACP norms applicable.
- The Bank shall report to the Credit Information Companies (CICs) as per the extant instructions, duly taking into account the above provisions.

(2) Provisioning

- In respect of eligible borrower accounts which were in default but classified as 'standard' as on August 31, 2025, and where relief measures have been extended pursuant to these Directions, the Bank shall make a general provision of not less than 5 per cent of the total outstanding in such accounts, by December 31, 2025.
- The above general provision may be adjusted against the actual specific provisioning requirements for slippages from these borrower accounts. Any residual general provisions at the end of the financial year 2025-26 shall be either written back or adjusted against provisions required for all other borrower accounts by June 30, 2026.
- The above general provisions shall not be reckoned for arriving at net NPAs till they are adjusted against the actual provisioning requirements as under paragraph above. Further, till such adjustments, these provisions shall not be netted from gross advances but shown separately in the balance sheet as appropriate.

All the eligible customers desirous of availing the Trade Relief Measures as mentioned above, can approach the branch where their account is maintained with an undertaking as per Annexure – II.

D. Validity

This policy remains in force until **March 31, 2026**, after which normal RBI/FEMA guidelines will apply.

List of Eligible Sectors

2-Digit HS Code	Description
03	Fish and crustaceans, molluscs and other aquatic invertebrates.
29	Organic chemicals
38	Miscellaneous chemical products.
39	Plastic and articles thereof.
40	Rubber and articles thereof.
42	Articles of leather, saddlery and harness; travel goods, handbags and similar containers, articles of animal gut (other than silk-worm) gut.
57	Carpets and other textile floor coverings.
61	Articles of apparel and clothing accessories, knitted or crocheted.
62	Articles of apparel and clothing accessories, not knitted or crocheted.
63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags
64	Footwear, gaiters and the like; parts of such articles.
68	Articles of stone, plaster, cement, asbestos, mica or similar materials.
71	Natural or cultured pearls, precious or semiprecious stones, precious metals, clad with precious metal and articles thereof; imitation jewellery; coin.
73	Articles of iron or steel
76	Aluminium and articles thereof.
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof.
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts.
87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof.
90	Optical, photographic cinematographic measuring, checking precision, medical or surgical inst. And apparatus parts and accessories thereof;
94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishing; lamps and lighting fittings not elsewhere specified or included

Undertaking by Exporter

(For Availing / Not Availing RBI Relief Facility under RBI Circular “Trade Relief Measures Directions, 2025” dated November 14, 2025)

To:

The Branch Manager

Indian Bank
[Branch Address]

Subject: Undertaking for Availing RBI Export Credit Relief – Extended Tenure & Moratorium Benefits under Circular ‘Trade Relief Measures Directions, 2025’ dated November 14, 2025”.

1.Exporter Details

1. Name of Exporter :
2. IEC Code of customer :
3. HS Code :
4. Our Bank customer/Other Bank customer :
5. If our Bank customer
Loan Account Number(s) :
- Date of availment :
- Outstanding as on 31.08.2025 :
6. If other Bank Customer:

Name of the Bank :

Certificate obtained from other Bank: Yes/No
(Certificate from other Bank to contain Sector name as per eligibility, HS Code and Outstanding Export Credit as at 31.08.2025)

2. Declaration of Reading and Understanding

I/We hereby declare that I/We have read and fully understood the Reserve Bank of India Circular titled “Trade Relief Measures Directions, 2025” dated November 14, 2025, and the relief measures contained therein, including

- Moratorium on instalments and interest due between September 1 – December 31, 2025, with interest accruing on a simple basis.
- Extension of maximum period of pre-shipment and post-shipment export credit from 270 days to 450 days for credit disbursed up to March 31, 2026.
- Option to liquidate packing credit from alternate legitimate sources.
- Clarification that availing the facility will not be treated as restructuring of the loan account.

- The line of activity of my/our falls under the sectors eligible for the trade relief of RBI

3. Declaration of Choice

Please tick (✓) one option:

- ☐ I/We hereby opt to avail the relief facility as per the RBI circular.
- ☐ I/We hereby opt NOT to avail the relief facility and will continue servicing obligations as per the original schedule.

4. Undertaking

- I/We confirm that the above choice is made voluntarily after reading and understanding the RBI circular.
- I/We agree to abide by all terms and conditions of the relief facility.
- I/We indemnify the bank against any misrepresentation or misuse of the facility.

5. Signatures

Authorized Signatory(ies): _____
Name(s): _____
Designation(s): _____
Date: _____
Place: _____
Company Seal: _____

-----Bank
Acknowledgement Format

Indian Bank,
_____ Branch

This is to acknowledge receipt of the undertaking dated _____ from [Name of Exporter], Loan A/c No. _____, regarding the RBI Circular "*Trade Relief Measures Directions, 2025*" dated November 14, 2025.

- The exporter has declared that they have read and understood the salient points of the circular.
- The exporter has opted to:

☐ Avail the relief facility

☐ Not avail the relief facility

Indian Bank
Name: _____
Designation: _____
Date and Seal: _____
Illustration of various scenario _____