

CITIZENS CHARTER

(For Forex Transactions)

PREFACE

A Citizens' Charter reflects the commitment of an organization towards standards, quality, transparency and accountability of services delivered and act as an effective grievance redressal mechanism. The prime objective of the Citizens' Charter is to improve the quality of customer service. The Citizens' Charter for foreign exchange transactions of the Federal Bank Ltd elucidates the main functions of the Foreign Exchange Cell of the Bank and remedies available to the public with a view to improving the quality of customer service in the area of foreign exchange. The Charter does not create new legal rights but reinforces the existing rights.

The objective of the Foreign Exchange Management Act, 1999, (FEMA) is to “facilitate external trade and payments” and “promote orderly development and maintenance of foreign exchange market in India”. All quantitative and sectoral restrictions, with a few exceptions, were gradually removed for all current account transactions and extensive powers have been delegated to the Authorized Dealers to deal with all categories of current account transactions by Reserve Bank of India. Most of the current account transactions now do not require the Reserve Bank's prior approval. Approval of the Reserve Bank is required for those transactions listed in Schedule–III to the Foreign Exchange Management (Current Account Transactions) Rules, 2000, where the remittance to be made is beyond the stipulated limit.

Federal Bank is having presence all over India (1134 branches) and is an Authorised Dealer (Category I) bank since 1972. All branches are authorized to maintain non – resident accounts/ purchase (exchange) foreign currency notes/ cheques/ drafts etc. Public can buy their forex through 75 category B branches spread across different states in the country. Trained officers man B – category branches. The bank is committed to give hassle free service to the public. A dedicated Forex Cell is working at Mumbai attached to Treasury Dept, which cater to addressing all clarifications/ issues relating to any type of forex transactions. The forex cell works as a conduit for the public/ branches for their requirements in foreign exchange including redressal of grievances.

The Forex Cell situated in Mumbai is involved in laying down the procedures/ policies of the Bank, training and development of skills of staff, etc with respect to FOREX transactions. Communication to this office can be addressed to –

The Head – Forex Cell
Federal Bank Ltd
Treasury Dept, 7, C Block
2F, Laxmi Tower, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
[phone: 022 – 26567538/ 2656 6642/ 2656 6683/ 2656 6629]
Email: fex@federalbank.co.in

This Citizen Charter of the Federal Bank gives the public information about the following.

- Relationship/ Arrangements
- Products/services for –

- i. Exports
- ii. Imports
- iii. NRI's
- iv. General Public

Our mission is to render effective and efficient customer service with greater transparency.

We welcome your suggestions to serve you better.

Federal Bank Ltd
Forex Cell/ Treasury Dept
Mumbai - 400 051

1) **OUR RELATIONSHIPS/ ARRANGEMENT**

- ❖ Correspondent relationships with 850 Banks worldwide across 82 countries.
- ❖ Special arrangement with M/s Dun & Bradstreet, M/s MIRA Inform and M/s Experian to obtain business credit information.
- ❖ Transfer of funds through FEDINDIA REMIT an internet based remittance product.
- ❖ Rupee drawing arrangement with 79 Exchange Houses in Middle East and 9 overseas Banks for remittance service.
- ❖ 75 Forex designated branches across the country equipped to handle any type of EXIM transaction.
- ❖ Pan India presence with over 1134 branches across all geographical segments, who are authorized to encash foreign currency notes/ travelers cheques/ open NRE/ FCNR (B) accounts.
- ❖ A representative office in Abudhabi, UAE.
- ❖ Online real- time exchange rates through Reuters Automated Trading and Dealing system for all transactions.
- ❖ Treasury Dealers give professional guidance and information on market movements.
- ❖ Hedging of foreign currency exposures through forward contracts.
- ❖ Service of our officers in GCC countries.

2) **OUR PRODUCTS AND SERVICES FOR -**

a) **EXPORTERS**

- ❖ Obtaining credit reports on foreign buyers.
- ❖ Advising and confirming documentary letters of credit
- ❖ Pre- shipment credit against lodgment of letters of credit or firm orders for procurement , processing, packing, and export of goods at concessional rates
- ❖ Opening of Inland and foreign letters of credit favouring suppliers for sourcing raw materials, etc., to fulfill export orders.
- ❖ Collection, purchase, discount and negotiation of documentary export bills drawn under LCs and firm orders
- ❖ Pre- shipment finance on “Running Account” facility
- ❖ Pre- and post- shipment finance in rupee and foreign currency

- ❖ Rupee advance against the security of documentary export bills sent for collection
- ❖ Issue of bid bond, performance and advance payment guarantees
- ❖ Advance against receivables under various incentive schemes – duty drawback, etc.
- ❖ Foreign currency account for exporters (EEFC A/cs).
- ❖ Remittance facility for payment of agency commission, participation in trade fairs, storage charges, and export claims, etc.
- ❖ Gold card scheme for exporters
- ❖ Facility for booking forward contracts on past performance basis and under contracted exposure method.
- ❖ Extension of time and write off of export bills, subject to rules.
- ❖ Reduction in invoice value and trade discounts.
- ❖ Export of samples, publicity materials, etc without GR formalities, subject to rules.

b) IMPORTERS

- ❖ Opening of foreign letters of credit for procuring materials/ machinery etc for actual user/ trader.
- ❖ Advance remittance for import of goods
- ❖ Handling of import collection documents/ documents under LC.
- ❖ Arranging buyers credit for importers
- ❖ Issuance of guarantee for import goods/ services.
- ❖ Obtaining credit report on overseas suppliers.
- ❖ Import goods loan.
- ❖ Shipping guarantee.

c) NRI's

- ❖ NRO/ NRE/ FCNR (B) accounts at any branch across India.
- ❖ Repatriation facility from NRO/ NRE/ FCNR (B) accounts.

d) GENERAL PUBLIC

- ❖ Outward remittances for all permitted current A/c and capital A/c transactions in any permitted currency.
- ❖ Inward remittance in any permitted currency.
- ❖ EEFC/ RFC (D) accounts.
- ❖ Sale of foreign currency notes/ travelers cards for travel purpose.
- ❖ Collection/ purchase of foreign currency notes/ travelers cheques/ personal cheques/ drafts, etc., through any branch pan India
- ❖ RFC account for returned NRIs.
