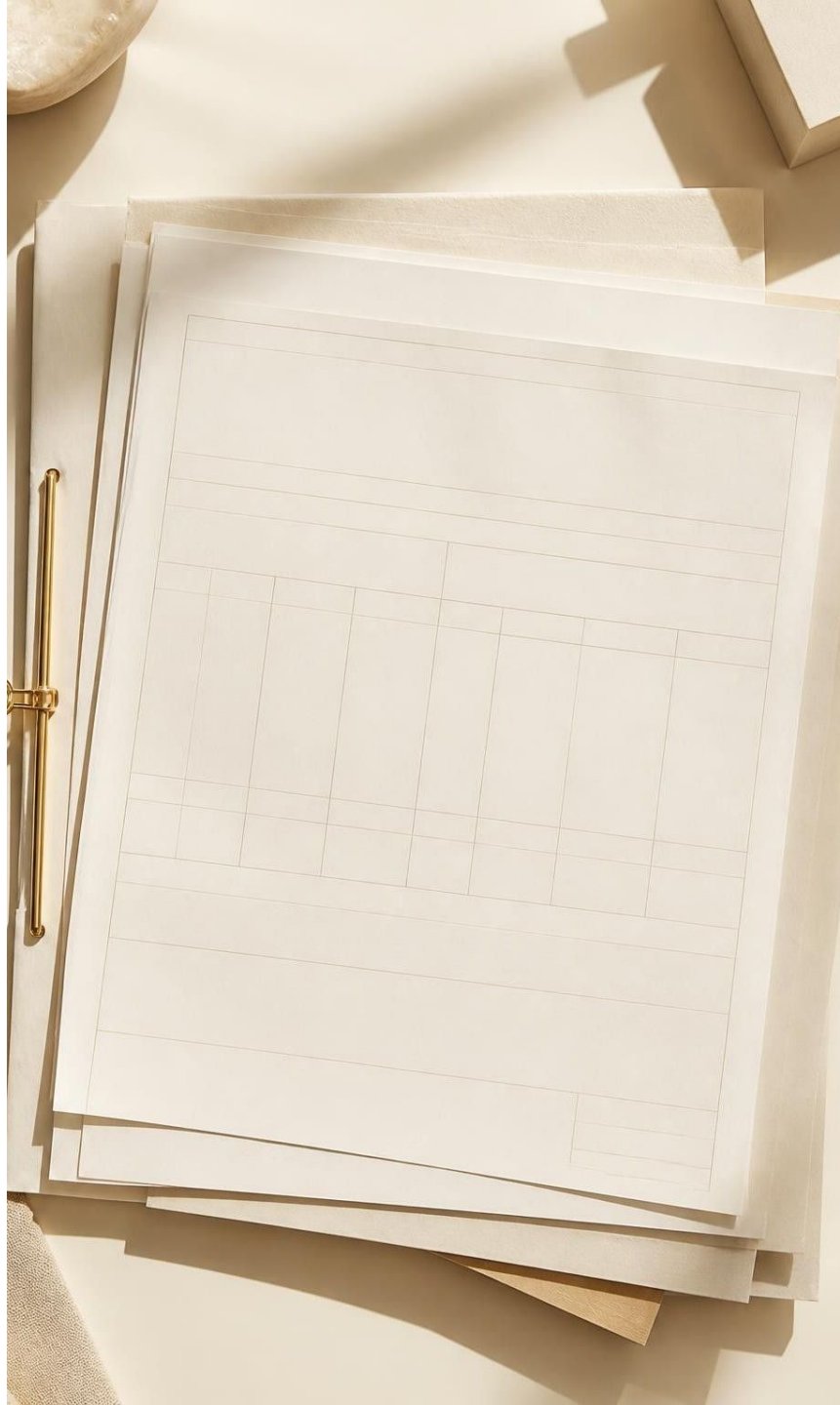
EDF for Service Exports: The Rs 10 Lakh Deeming

When RBI now treats your Export Declaration Form as filed, and when you still file it

Tags: EDF | EDPMS | IDPMS | Regulation 3(2) | Regulation 18(1)(d) | FEMA 23(R)/(2)/2026-RB

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What changed, and from when

RBI's Foreign Exchange Management (Export and Import of Goods and Services) (Second Amendment) Regulations, 2026 (Notification No. FEMA 23(R)/(2)/2026-RB, 2 November 2026) come into force from 1 October 2026.

The main rule stays: an EDF showing the full export value of services, within 30 days from the end of the month in which the invoice is raised.

Provision	What the amendment does
Regulation 2(1)(da) (new)	Defines resident individual: a person resident in India who is a natural person
Regulation 3(2), provisos (a) and (b) (new)	EDF for services deemed submitted in two cases
Regulation 3(2), old provisos (a) to (c)	Renumbered (c), (d) and (e)
Regulation 18(1)(d) (amended)	Narrows the bank's IDPMS entry for import of services

When the EDF is deemed submitted

Exporter of services	Condition	Result
Resident individual	Gives the Authorised Dealer the information required for the receipt of payment, to credit the exporter's account	Deemed submitted (proviso (a)); the proviso carries no value limit
Company, LLP, firm or other non-individual	Same, and the inward remittance for the service is not more than Rs 10 lakh or its foreign currency equivalent	Deemed submitted (proviso (b))
Company, LLP, firm or other non-individual, inward remittance above Rs 10 lakh	Proviso (b) is not met	EDF under the main rule

One figure, five yardsticks

Only the first two rows come from this amendment. A company with a Rs 12 lakh invoice paid through a single Rs 12 lakh remittance is outside all three export-side relaxations.

Provision	Measured on	Effect
Regulation 3(2), proviso (b)	Value of the inward remittance	EDF deemed submitted, up to Rs 10 lakh
Regulation 18(1)(d)	Invoice or contract value	Bank enters import of service in IDPMS, above Rs 10 lakh
Regulation 4(2), first proviso	Invoice (services) or shipping bill (goods)	EDPMS entry may close on the exporter's declaration, up to Rs 10 lakh
Regulation 4(2), second proviso	Invoice (services) or Bill of Entry (goods)	IDPMS entry may close on the importer's declaration, up to Rs 10 lakh
Regulation 6, proviso	Invoice (services) or shipping bill (goods)	Reduction in export value on the exporter's declaration, up to Rs 10 lakh

Paying for services from abroad

In IDPMS:

- Importer is a person other than a resident individual
- Invoice or contract value is more than Rs 10 lakh
- Details furnished by the importer; the bank enters them within five working days of receipt of details (regulation 18(1)(d))

Outside this clause:

- A resident individual importer of services
- Any importer where the invoice or contract value is Rs 10 lakh or less

Regulation 18(1)(e) is untouched: the bank still enters inward and outward remittances for all exports and imports in EDPMS or IDPMS.



Who this affects

Resident individuals exporting services: the deemed EDF under proviso (a) carries no value limit, and rests on giving the bank the payment information.

Companies, LLPs and firms exporting services: the test is each inward remittance against Rs 10 lakh, so the tracker needs the remittance value alongside the invoice.

Companies paying overseas vendors: furnish details to the bank for service imports above Rs 10 lakh, and keep the regulation 4(2) declaration route in mind for invoices up to Rs 10 lakh.

Caveats before you rely on it

01

The EDF for a company has not been abolished. It is treated as filed only where the remittance is within the limit and the information has been given to the bank.

02

The test in proviso (b) is the value of the inward remittance, not the invoice or the month's billing.

03

Realisation is untouched: nine months from the date of invoice for services, twelve months where invoiced or settled in Indian Rupees (regulation 5).

04

The specified authority is the Development Commissioner in a SEZ, and an Authorised Dealer or STPI for software in the DTA (regulation 2(1)(f)). The new provisos speak of information given to the Authorised Dealer.

Action plan

Classify: record whether the exporter or importer is a resident individual or a person other than one.

Track: for a non-individual, add the inward remittance value to the EDF tracker alongside the invoice value.

Keep the calendar: under the main rule, the 30 days for invoices raised in October 2026 end on 30 November 2026.

Ask your bank: the deeming provisos are tied to the receipt of payment, while the 30 days run from the invoice month. Confirm how it is handling invoices unpaid when that period ends, and part payments of a larger invoice.

Review service imports: identify invoices or contracts above Rs 10 lakh and furnish details to the bank.



Key dates

13 January 2026: principal Regulations, Notification No. FEMA 23(R)/2026-RB

1 October 2026: principal Regulations and this amendment take effect

2 November 2026: Second Amendment notified and published in the Gazette

30 November 2026: EDF under the main rule for invoices raised in October 2026

If an EDF slips, regulation 3(2)(e) lets you ask the Authorised Dealer for more time, citing reasons for the delay.

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Source: Reserve Bank of India, Notification No. FEMA 23(R)/(2)/2026-RB, 2 November 2026, rbi.org.in. Source: Reserve Bank of India, Notification No. FEMA 23(R)/2026-RB, 13 January 2026 (amended up to 2 November 2026), rbi.org.in.