

RBI Eases Advance Remittance for Shipping Vessel Imports

The Reserve Bank of India (RBI) has issued **Circular No. 07, dated June 13, 2025 (RBI/2025-26/55)**, introducing a relaxation for the import of shipping vessels. This amendment to the Master Direction – Import of Goods and Services (MD-Imports), dated January 01, 2016, permits Authorised Dealer Category-I banks to allow importers to make advance remittances for shipping vessel imports.

The key change is that these remittances, up to a limit of USD 50 million, can now be made without requiring a bank guarantee or an unconditional, irrevocable standby Letter of Credit. This decision is aimed at enhancing the ease of doing business and addresses sector-specific constraints within the shipping industry.

The relaxation is subject to the existing conditions outlined in para-C.1.3.3 of the MD-Imports. All Authorised Dealer banks are instructed to inform their relevant constituents about these new guidelines, which are issued under Sections 10(4) and 11(1) of the Foreign Exchange Management Act (FEMA), 1999.

Link

<https://rbidocs.rbi.org.in/rdocs/notification/PDFs/55APDIR589952A39CDC4603A031807407C25C04.PDF>