

## FOREIGN EXCHANGE MANAGEMENT (GUARANTEES) REGULATIONS: REPORTING BY CLIENTS

Dear Sir/Ma'am,

As you're aware, the revised Foreign Exchange Management (Guarantees) Regulations [FEMA 8\(R\)/2026-RB](#) ("Regulations") are in effect from January 06, 2026, and supersede Foreign Exchange Management (Guarantees) Regulations, 2000 (FEMA 8/2000-RB dated May 3, 2000). The Regulations mandate the Applicant (Principal debtor^), Beneficiary (Creditor^) and Guarantor (Surety^) of FEMA-related Guarantees^ to submit mandatory details (\*) to the Bank regarding **issuance, amendment and invocation** of such Guarantees through [Form GRN Issue](#), [Form GRN Modification](#) and [Form GRN Invocation](#) respectively. These guarantees also include personal guarantees or corporate guarantees given by/to Parent/Group holding company or Promoter for its subsidiary/group company who's the Principal debtor^ in India.

**Please ensure to submit your reporting to IndusInd Bank within 15 calendar days from the close of each quarter i.e. by 15<sup>th</sup> April, 15<sup>th</sup> July, 15<sup>th</sup> September and 15<sup>th</sup> January. The first reporting is due by April 15, 2026. Request you to submit the duly completed and signed GRN form to your IndusInd Bank branch latest by this date for the quarter ended March 31, 2026.**

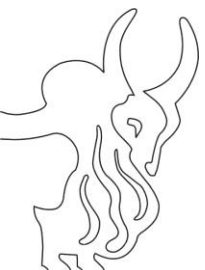
In case of queries, please contact your Relationship Manager or Branch for clarifications.

### NOTE:

- (a) Guarantee issued and modified within the same reporting period to be reported as two separate guarantees with the first Guarantee deemed to have ended one day prior to the effective date of modification and second Guarantee deemed to have started on the effective date of modification. In case the Guarantee is issued and closed within the same reporting period, the original Guarantee to be reported in Part B of the GRN form with validity date as the date of closure.
- (b) As per the Regulations, a Late Submission Fee (LSF#) is payable along with the GRN form in case of delayed submission to the Bank beyond 15 days of the close of the quarter.

### FEMA-related guarantees to be reported for issuance/amendment/invocation

1. Reporting by the Principal debtor: Where the Principal debtor of the Guarantee is in India and has arranged the Guarantee directly from the Guarantor/Surety resident outside India.



2. Reporting by the Creditor: Where the Creditor of the Guarantee is in India and the Principal debtor & Surety are both resident outside India. The Creditor can be the parent company or group entity of the Principal debtor including cases where:
  - a) The Creditor in India has arranged the Guarantee.
  - b) The Guarantee is advised to the Creditor by a Bank in India.
3. Reporting by the Surety: Where the Surety is a person resident in India.

^: Definitions under the Regulations

- “Principal debtor”: Person in respect of whose default the Guarantee is given.
- “Creditor”: Person to whom the Guarantee is given.
- “Surety”: Person who gives a Guarantee (includes banks, financial institutions or any other person).
- “Guarantee”: Including a “counter-guarantee” means a contract, by whatever name called, to perform the promise, or discharge a debt, obligation or other liability (including a portfolio of debts, obligations or other liabilities), in case of default by the Principal debtor (Explanation: Includes Guarantee issued by any Bank or financial institution; personal guarantee and corporate guarantee given by Parent/Group holding company for its subsidiary/group company who’s the Principal debtor).

#: Calculation of LSF for delayed submission beyond 15 days of quarter-close

**₹7,500 + 0.025% x A x n, rounded upwards to the nearest hundred** where:

- (a) “n” = Number of years of delay in submission, rounded-upwards to the nearest month and expressed up to 2 decimal points.
- (b) “A” = Amount in INR for delayed reporting.

Warm regards,

**Team IndusInd Bank**

