



**RESERVE BANK OF INDIA**  
**Mumbai - 400 001**

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**RBI/2016-17/237**

**March 02, 2017**

**A.P. (DIR Series) Circular No. 32**

To

All Category - I Authorised Dealer Banks

Madam / Sir,

**Exim Bank's Government of India supported Line of Credit of USD 29.95 million to the Government of the Republic of Kenya**

Export-Import Bank of India (Exim Bank) has entered into an agreement dated July 11, 2016 with the Government of the Republic of Kenya for making available to the latter, a Government of India supported Line of Credit (LOC) of USD 29.95 million (USD Twenty Nine million and Nine hundred Fifty thousand only) for financing up gradation of Rift Valley Textiles factory (RIVATEX East Africa Limited) in the Republic of Kenya. The goods including plant, machinery, equipment and services including consultancy services from India for exports under this agreement are those which are eligible for export under the Foreign Trade Policy of the Government of India and whose purchase may be agreed to be financed by the Exim Bank under this agreement. Out of the total credit by Exim Bank under this agreement, goods and services of the value of at least 72 per cent of the contract price shall be supplied by the seller from India and the remaining 28 per cent of goods and services may be procured by the seller for the purpose of the eligible contract from outside India.

2. The credit agreement under the LOC is effective from February 17, 2017. Under the LOC, the terminal utilization period is 60 months after the scheduled completion date of the project.

3. Shipments under the LOC will have to be declared on Export Declaration Form as per instructions issued by the Reserve Bank from time to time.

4. No agency commission is payable under the above LOC. However, if required, the exporter may use its own resources or utilize balances in its Exchange Earners' Foreign Currency Account for payment of commission in free foreign exchange. Authorised Dealer Category- I (AD Category- I) banks may allow such remittance after realization of full payment of contract value subject to compliance with the extant instructions for payment of agency commission.

5. AD Category- I banks may bring the contents of this circular to the notice of their exporter constituents and advise them to obtain full details of the LOC from the Exim Bank's office at Centre One, Floor 21, World Trade Centre Complex, Cuffe Parade, Mumbai 400 005 or on their website [www.eximbankindia.in](http://www.eximbankindia.in).

6. The directions contained in this circular have been issued under Section 10(4) and Section 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.

Yours faithfully,

(Deepak Kumar)  
Chief General Manager