



Reserve Bank of India
Exchange Control Department
Central Office, Mumbai

RBI/2005-06/191

A.P. (DIR Series) Circular No. 14

Dated 27th October, 2005

Exim Bank's Line of Credit of USD 50 Million to the Government of the Republic of Chad

The Export-Import Bank of India (Exim Bank) has concluded an agreement with the Government of the Republic of Chad making available to the latter a Line of Credit (LOC) upto an aggregate sum of USD 50 Million (US Dollar Fifty Million only). The credit agreement has become effective on September 27, 2005. The credit is available for financing equipment, goods and services eligible for being exported from India under the Foreign Trade Policy of the Government of India for four projects in Chad viz. (a) cotton yarn plant valued at USD 24.5 million, (b) steel billet plant and rolling mill valued at USD 11.5 million, (c) plant for assembly of agricultural equipment valued at USD 10 million and (d) bicycle plant valued at USD 4 million. Full details of the Line of Credit are available at the Exim Bank's office or its website (www.eximbankindia.com).

2. The terminal utilization period will expire at the end of 48 months from the completion date in case of project exports and 72 months from the date of execution of the Agreement i.e. August 29, 2011 in case of other supply contracts.
3. Shipments under the credit will have to be declared on GR/SDF Forms as per instructions issued from time to time.
4. No agency commission is payable under the above line of credit. However, if required the exporter may use his own resources or utilize balances of his EEFC account for payment of commission in free foreign exchange. The ADs may allow such remittance after realisation of full payment of contract value subject to compliance of prevailing instructions on payment of agency commission.
5. Authorised Dealers may bring the contents of this Circular to the notice of their exporter constituents. Full details of the Line of Credit are available at the Exim Bank's office or its website.
6. The directions contained in this Circular have been issued under Sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and is without prejudice to permissions/approvals, if any, required under any other law.

Sd/-
(B. P. Kanungo)
General Manager-in-Charge