



RESERVE BANK OF INDIA
Mumbai - 400 001

RBI/2016-17/211
A.P. (DIR Series) Circular No. 26

January 12, 2017

To
All Category - I Authorised Dealer Banks

Madam / Sir,

**Exim Bank's Gov supported Line of Credit of USD 0.17 million
to the Government of the Republic of Burundi**

Export-Import Bank of India (Exim Bank) has entered into an Agreement dated February 14, 2014 with the Government of the Republic of Burundi for making available to the latter, a Government of India supported Line of Credit (LOC) of USD 0.17 million (USD One hundred seventy thousand) for the purpose of financing for preparation of detailed project report for an Integrated Food Processing Complex in Burundi. The 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, services of the value of at least 75% of the contract price shall be supplied by the seller from India and the remaining 25% 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 December 20, 2016. Under the LOC, the last date for opening of letter of Credit and disbursement will be 48 months for Project Export Contracts from the scheduled completion date(s) of contract(s) and 72 months for supply contracts, from the date of execution of the Agreement.

3. Shipments under the LOC will have to be declared 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 his own resources or utilize balances in his 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 prevailing 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 Line of Credit from the Exim Bank's office at Centre One, Floor 21, World Trade Centre Complex, Cuffe Parade, Mumbai 400 005 or log on to 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,

(Shekhar Bhatnagar)
Chief General Manager-in-Charge