

APPENDIX TABLE 57 : INTEREST RATES ON EXPORT CREDIT

(Per cent per annum)

Export Credit	Rates Effective											
	January 01, 1998	April 30, 1998	August 06, 1998	April 01, 1999	October 29, 1999	May 26, 2000	January 6, 2001	May 5, 2001#	September 26, 2001#	May 18, 2004 #	May 01, 2006 #	
1	2	3	4	5	6	7	8	9	10	11	12	
1. Pre-shipment Credit												
i) Up to 180 days*	12.00	11.00	9.00	10.00	10.00	10.00	10.00	≤ PLR-1.5 PP	≤ PLR-2.5 PP	≤ BPLR-2.5 PP	≤ BPLR-2.5 PP	
ii) Beyond 180 days and up to 270 days	14.00	14.00	12.00	13.00	13.00	13.00	13.00	≤ PLR+1.5 PP	≤ PLR+0.5 PP	Free	Free	
iii) Against incentives receivable from Government covered by ECGC Guarantee up to 90 days	12.00	11.00	9.00	10.00	10.00	10.00	10.00	≤ PLR-1.5 PP	≤ PLR-2.5 PP	≤ BPLR-2.5 PP	≤ BPLR-2.5 PP	
2. Post-shipment Credit												
i) Demand Bills for transit period (as specified by FEDAI)*	≤ 11.00	≤ 11.00	9.00	≤ 10.00	≤ 10.00	≤ 10.00	≤ 10.00	≤ PLR-1.5 PP	≤ PLR-2.5 PP	≤ BPLR-2.5 PP	≤ BPLR-2.5 PP	
ii) Usance Bills (for total period comprising usance period of export bills, transit period as specified by FEDAI and grace period wherever applicable)												
a) Up to 90 days *	≤ 11.00	≤ 11.00	9.00	≤ 10.00	≤ 10.00	≤ 10.00	≤ 10.00	≤ PLR-1.5 PP	≤ PLR-2.5 PP	≤ BPLR-2.5 PP	≤ BPLR-2.5 PP	
b) Beyond 90 days and up to six months from the date of shipment	13.00	13.00	11.00	12.00	12.00	12.00	12.00	≤ PLR+1.5 PP	≤ PLR+0.5 PP	Free	Free	
c) Beyond six months from the date of shipment	20.00\$ (Min.)											
d) Upto 365 days for exporters under the Gold Card Scheme												
iii) Against incentives receivable from Government covered by ECGC Guarantee (up to 90 days)	≤ 11.00	≤ 11.00	9.00	≤ 10.00	≤ 10.00	≤ 10.00	≤ 10.00	≤ PLR-1.5 PP	≤ PLR-2.5 PP	≤ BPLR-2.5 PP	≤ BPLR-2.5 PP	
iv) Against undrawn balance (up to 90 days)	≤ 11.00	≤ 11.00	9.00	≤ 10.00	≤ 10.00	≤ 10.00	≤ 10.00	≤ PLR-1.5 PP	≤ PLR-2.5 PP	≤ BPLR-2.5 PP	≤ BPLR-2.5 PP	
v) Against retention money (for supplies portion only) payable within one year from the date of shipment (up to 90 days)	≤ 11.00	≤ 11.00	9.00	≤ 10.00	≤ 10.00	≤ 10.00	≤ 10.00	≤ PLR-1.5 PP	≤ PLR-2.5 PP	≤ BPLR-2.5 PP	≤ BPLR-2.5 PP	
3. Deferred Credit												
Deferred credit for the period beyond 180 days	Free (FDA)	Free (FDA)	Free	Free	Free	Free	Free	Free	Free	Free	Free	
4. Export Credit, not otherwise specified												
a) Pre-shipment credit	20.00 (Min.)	Free	Free	Free	Free	Free	Free	Free	Free	Free	@	
b) Post-shipment credit	20.00 (Min.)	Free	Free	Free	Free	Free	Free	Free	Free	Free	@	

FDA: From the date of advance. Min.: Minimum. PLR: Prime Lending Rate. BPLR: Benchmark Prime Lending Rate. \$: Chronic cases, i.e., overdues as on July 1, 1997 are exempted.

≤: Not Exceeding. PP: Percentage Points. #: These are ceiling rates, banks would be free to charge any rate below the ceiling rate.

*: Interest rates for the above-mentioned categories beyond the tenors as prescribed above are free effective May 1, 2006.

@: ECNOS abolished w.e.f. May 1, 2006. Banks are free to set their own interest rates.

Note:

1. 'Free' means banks are free to charge interest rates keeping in view the BPLR and spread guidelines.

2. Following the Government's decision to provide interest subvention of 2 percentage points per annum to all scheduled commercial banks in respect of rupee export credit to the specified categories of exporters, the Reserve Bank on July 13, 2007, accordingly issued amended instructions relating to interest rates on rupee export credit for exporters of nine categories of exports viz., Textiles (including Handlooms), Readymade Garments, Leather Products, Handicrafts, Engineering Products, Processed Agricultural Products, Marine Products, Sports Goods and Toys and all exporters from SME sectors defined as micro enterprises, small enterprises and medium enterprises. Accordingly, banks would charge interest rate not exceeding BPLR minus 4.5 percentage points on pre-shipment credit up to 180 days and post-shipment credit up to 90 days on the outstanding amount for the period April 1, 2007 to December 31, 2007 to all SME sectors and the nine categories of exports as mentioned above.

3. On October 6, 2007, the Government of India partially modified the interest rate subvention to exporters to extend the scheme by three months up to March 31, 2008 and increased the coverage of the scheme to include jute and carpets, processed cashew, coffee, tea, solvent extracted de-oiled

4. export credit for the following sectors viz. Leather and Leather manufacturers, Marine Products, All categories of textiles under the existing scheme including RMG and carpets but excluding man-made fibre and Handicrafts. Banks are to charge interest rates not exceeding BPLR minus 6.5 percentage points on pre-shipment credit up to 180 days and post-shipment credit up to 90 days on the outstanding amount in respect of the above-mentioned sectors. However, the total subvention will be subject to the condition that the interest rate, after subvention will not fall below 7 per cent which is the rate applicable to the agriculture sector under priority sector lending. The above dispensation was valid from November 1, 2007 to March 31, 2008.

5. The above interest rate subvention on export credit was extended for one more year from April 1, 2008 till March 31, 2009. Subsequently, the Government of India has decided to terminate the scheme with effect from September 30, 2008 which was communicated by the Reserve Bank on August 1, 2008.