



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA



RBI/2022-2023/84
A.P. (DIR Series) Circular No. 06

July 07, 2022

All Category – I Authorised Dealer Banks

Madam/Sir

Exim Bank's Government of India supported Short - Term Line of Credit (STLoC) of USD 55 million to the Government of the Democratic Socialist Republic of Sri Lanka for procurement of urea fertilizer from India

Export-Import Bank of India (Exim Bank) has entered into an agreement dated June 10, 2022 with the Government of the Democratic Socialist Republic of Sri Lanka, for making available to the latter, Government of India supported Short - Term Line of Credit (STLoC) of USD 55 million (USD Fifty Five Million only) for financing of procurement of urea fertilizer from India. Under the arrangement, financing of export of eligible goods and services from India, as defined under the agreement, would be allowed subject to their being 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.

2. The Agreement under the STLoC is effective from June 20, 2022. Under the STLoC, the terminal utilization period is 6 months from the date of signing the agreement or such other extended date which EXIM Bank may agree at the request of the borrower, provided however that such extended date shall in no case be beyond 12 months from the date of agreement.

3. Shipments under the STLoC shall be declared in Export Declaration Form/ Shipping Bill as per instructions issued by the Reserve Bank from time to time.
4. No agency commission is payable for export under the above STLoC. 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 (AD) Category - I banks may allow such remittance after realization of full eligible value of export 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 complete details of the STLoC from the Exim Bank's office at Centre One, Floor 21, World Trade Centre Complex, Cuffe Parade, Mumbai 400 005 or from their website www.eximbankindia.in.
6. The directions contained in this circular have been issued under section 10(4) and 11(1) of the Foreign Exchange Management Act (FEMA), 1999 (42 of 1999) and are without prejudice to permissions/ approvals, if any, required under any other law.

Yours faithfully

(Vivek Srivastava)
Chief General Manager