

**Concessive Rupee Export Credit
for Deemed Exports**

Ref.IECD.No. 23/04.02.02/2001-02

May 7, 2002

The Chairmen/Chief Executives
of all commercial banks

Dear Sir,

**Concessive Rupee Export Credit
for Deemed Exports**

As you are aware, in terms of instructions contained in Master Circular IECD No.14/04.02.02/2001-02 dated November 22, 2001, banks are permitted to extend export credit at concessional rate of interest to deemed exporters (as defined in Exim Policy). It has been represented to us that some of such exporters do not get the advantage of the concessional rate of interest for the credit availed of from the banking system.

2. We shall, therefore, be glad if you will please arrange to publicise widely the concessionality available in the interest rates for deemed exports and ensure that operating staff are adequately sensitised in this regard.

3. Please acknowledge receipt.

Yours faithfully,

(K. Vijayaragavan)
Chief General Manager

C1:deemed exports