

April 28, 2008

**All Scheduled Commercial Banks
(excluding RRBs)**

Dear Sir,

Rupee Export Credit Interest Rates

Please refer to our circular DBOD.Dir.(Exp.)No.41/04.02.01/2007-08 dated October 29, 2007 on the captioned subject.

2. The validity of the interest rates on rupee export credit indicated in the above circular would now remain in force up to October 31, 2008. In this connection, you may please refer to RBI circular No.MPD.BC.298/07.01.279/2007-08 dated April 25, 2008. The rates of interest applicable have been incorporated in the Annex to the Directive DBOD.Dir.(Exp.)BC.No.76/04.02.01/2007-08 dated April 28, 2008 enclosed to this circular.

3. Moreover, interest subvention on export credit has been extended by one more year from April 1, 2008 till March 31, 2009 on the terms and conditions as they existed on March 31, 2008 vide circular DBOD.Dir.(Exp)BC.No.73/ 04.02.01/2007-08 dated April 25, 2008. Accordingly, banks would continue to charge interest rates not exceeding BPLR minus 4.5 and 6.5 percentage points on pre-shipment credit up to 180 days and post-shipment credit up to 90 days on the outstanding amount for a further period starting from April 1, 2008 to March 31, 2009 to the categories of exporters as detailed in circulars DBOD.Dir.(Exp.)BC.No.22/04.02.01/2007-08, DBOD.Dir.(Exp.)BC.No.34B/4.02.01/2007-08 and DBOD.Dir.(Exp).BC.No.54/04.02.01/2007-08, issued by the Reserve Bank on July 13, 2007, October 6, 2007 and November 30, 2007 respectively.

Yours faithfully,

(P.Vijaya Bhaskar)
Chief General Manager

Withdrawn w.e.f May 13, 2008

April 28, 2008

Interest Rates on Advances

In exercise of the powers conferred by Sections 21 and 35 A of the Banking Regulation Act, 1949, the Reserve Bank of India, being satisfied that it is necessary and expedient in the public interest so to do, hereby directs that, with effect from May 01, 2008 the interest rates on rupee export credit would be as indicated in the Annex enclosed to this Directive.

(Anand Sinha)
Executive Director

Withdrawn w.e.f May 13, 2022

ANNEX

Interest Rates on Rupee Export Credit of Scheduled Commercial Banks

Interest Rates effective from May 1, 2008 to October 31, 2008 will be not exceeding BPLR minus 2.5 percentage points per annum for the following categories of Export Credit.

Categories of Export Credit	
1.	Pre-shipment Credit
	(a) Up to 180 days
	(b) Against incentives receivable from Government covered by ECGC Guarantee up to 90 days
2.	Post-shipment Credit
	(a) On demand bills for transit period (as specified by FEDAI)
	(b) Usance bills (for total period comprising usance period of export bills, transit period as specified by FEDAI, and grace period, wherever applicable)
	i) Up to 90 days
	ii) Up to 365 days for exporters under the Gold Card Scheme.
	(c) Against incentives receivable from Govt. (covered by ECGC Guarantee) up to 90 days
	(d) Against undrawn balances (up to 90 days)
	(e) Against retention money (for supplies portion only) payable within one year from the date of shipment (up to 90 days)
BPLR : Benchmark Prime Lending Rate	
Note:	
1. Since these are ceiling rates, banks would be free to charge any rate below the ceiling rates.	
2. Interest rates for the above-mentioned categories of export credit beyond the tenors as prescribed above are deregulated and banks are free to decide the rate of interest, keeping in view the BPLR and spread guidelines.	