



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
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RBI/2022-2023/133

A.P. (DIR Series) Circular No.17

October 20, 2022

All Category – I Authorised Dealer Banks

Madam/Sir

**Exim Bank's Short-Term Line of Credit (STLoC) of EUR 100 million
to the Banco Exterior de Cuba for purchase of rice from India**

Export-Import Bank of India (Exim Bank) has entered into an agreement dated June 23, 2022 with the Banco Exterior de Cuba- an agency nominated by the Government of Republic of Cuba for making available to the latter, Short Term Line of Credit (STLoC) of EUR 100 million (Euro One Hundred Million Only) for the purpose of financing procurement of rice from India to the Republic of Cuba. The export of eligible goods including plant, machinery and equipment, and services including consultancy services for the purpose of procurement of rice to be exported from India, as defined under the agreement, would be allowed subject to their eligibility 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 the agreement, goods and services of the value of at least 75 per cent of the contract price shall be supplied by the seller from India, and the remaining 25 per cent of goods and services may be procured by the seller for the purpose of the eligible contract from outside India.

2. The Credit Agreement under the STLoC has become operational from September 09, 2022. Under the STLoC, the terminal utilization period is 8 months from the date of contract inclusion under the STLoC.

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

(Ajay Kumar Misra)
Chief General Manager-in-Charge