

**Export of goods and services against repayment of
State Credits granted by erstwhile Soviet Union**

**Reserve Bank of India
Exchange Control Department
Central Office
Mumbai - 400 001**

A.P. (DIR Series) Circular No.13

September 6, 2002

To,
All Authorised Dealers in Foreign Exchange

Madam/Sirs,

**Export of goods and services against repayment of
State Credits granted by erstwhile Soviet Union**

Attention of all authorised dealers is drawn to A.D. (G.P.Series) Circular No.11 dated June 15, 1998, in terms of which reimbursement claims sent to Reserve Bank where the documents are negotiated within the validity of letters of credit (LCs), are honoured by the Bank subject to the condition that claim is received not later than the 37th working day from the date of expiry of LC, excluding the days on which Reserve Bank of India, Mumbai is closed.

2. It has now been decided in consultation with the Bank for Foreign Economic Affairs of the USSR, Moscow (BFEA), to reduce the period for lodging the reimbursement claims from 37 working days to 27 working days from the date of expiry of LC, excluding the days on which Reserve Bank of India, Mumbai is closed.

3. Authorised Dealers are, therefore, advised that hereafter the reimbursement claims for exports against repayment of State Credits should be lodged so as to reach the Regional Director, Reserve Bank of India, Deposit Accounts Department, Mumbai, not later than 27th working day as indicated above. The claims received after expiry of the stipulated period will be considered only on receipt of fresh confirmation from BFEA.

4. Notice to Exporters No.1 dated September 6, 2002 is enclosed, the contents of which may be brought to the notice of your constituents who are engaged in export trade with Russian Federation.

5. The directions contained in the circular have been issued under Section 10(4) and Section 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999).

Yours faithfully,
Grace Koshie
Chief General Manager

Notice to Exporters No.1 of 2002

Under the Banking Arrangement dated 6th September, 1993 concluded between Reserve Bank of India(RBI) and the Bank for Foreign Economic Affairs of the USSR, Moscow (BFEA), repayment of State Credits is made by way of exports of goods and services from India to Russian Federation against Letters of Credit (LCs) opened by BFEA. Reimbursement claims sent to Reserve Bank of India, Deposit Accounts Department, Mumbai, where the documents are negotiated within the validity of LCs are honoured by RBI subject to the condition that claim is received by RBI not later than the 37th working day (from the date of expiry of LC) excluding the days on which the Reserve Bank of India, Mumbai is closed).

2. It has now been decided in consultation with the BFEA to reduce the period for lodging the reimbursement claims from 37 working days to 27 working days from the date of expiry of LC.

3. The reimbursement claims for exports against repayment of State Credits should, therefore, be lodged through the nominated banks so as to reach the Regional Director, Reserve Bank of India, Deposit Accounts Department, Mumbai, within the above stipulated period. The claims received after the above stipulated period will be considered only after the receipt of fresh payment instructions from BFEA.

**RESERVE BANK OF INDIA
EXCHANGE CONTROL DEPARTMENT
CENTRAL OFFICE
MUMBAI - 400 001**

September 6, 2002