

**Exim Bank's Line of Credit of USD 200 million to seven Iranian Banks
A.P.(DIR Series) Circular No.50 (Dec 15, 2003)**

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

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December 15, 2003

To
All Authorised Dealers in Foreign Exchange

Madam / Sirs,

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seven Iranian Banks**

The Export-Import Bank of India (Exim Bank) has concluded an agreement with seven Iranian banks designated by Bank Markazi Jomhuri Islami Iran, viz Bank Mellat, Bank Melli Iran, Bank Saderat Iran, Bank Sepah, Bank Tejarat, Bank of Industry and Mine and Export Development Bank of Iran on January 25, 2003 making available to these banks in Iran a Line of Credit (LOC) upto an aggregate sum of USD 200 million (U.S.Dollar Two hundred million only). The credit agreement has become effective from September 15, 2003 and is available for financing export from India of eligible capital goods and related services of Indian origin to buyers in Iran.

2. The terminal date for conclusion of Individual Letters of Agreement is December 31, 2005.
3. Shipments under the credit will have to be declared on GR/SDF Forms as usual.
4. No agency commission shall be payable in respect of exports financed under the above line of credit.
5. Authorised Dealers may bring the contents of this circular to the notice of their exporter constituents and advise them to obtain full details of the Line of Credit from Exim Bank's Office or its web-site.
6. The directions contained in this circular have been issued under Sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999).

Yours faithfully,

**Grace Koshie
Chief General Manager**