

April 30 , 2005

To
All Banks authorised to deal in Foreign Exchange

Madam / Sirs,

Exim Bank's Line of Credit of USD 5 million to Eastern and Southern African Trade and Development Bank (PTA Bank)

The Export-Import Bank of India (Exim Bank) has concluded an agreement with Eastern and Southern African Trade and Development Bank (PTA Bank) on March 3, 2005 making available to the latter a short term Line of Credit (LOC) upto 180 days and upto an aggregate sum of USD 5 Million (US Dollar five million only). The credit is available for financing export of raw materials, commodities and other goods and services from India to sixteen (16) member countries of PTA Bank, viz. Burundi, Comoros, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Malawi, Mauritius, Rwanda, Somalia, Sudan, Tanzania, Uganda, Zambia and Zimbabwe in Eastern and Southern Africa.

2. The credit agreement has become effective on April 1, 2005. The last dates for opening letters of credit and disbursement of credit are September 30, 2006 and March 31, 2007 respectively.

3. Shipments under the credit will have to be declared on GR / SDF Forms as per instructions issued from time to time.

4. No agency commission is ordinarily payable under the above line of credit. However, if necessary, the exporter can use his own resources for such payments.

5. Authorised Dealer Banks 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 website.

6. The direction contained in this circular has been issued under sections 10(4) and 11(1) of the Foreign Exchange Management Act (FEMA), 1999 (42 of 1999) and is without prejudice to permissions / approvals, if any, required under any other law.

Yours faithfully

(F.R.Joseph)
Chief General Manager