June 15, 2006

To,

All Category I Authorised Dealer Banks

Madam / Sir,

## Exim Bank's Line of Credit of USD 27 million
## to the Government of Senegal

The Export-Import Bank of India (Exim Bank) has concluded an agreement with the Government of Senegal making available to the latter a Line of Credit (LOC) up to an aggregate sum of USD 27 Million (US Dollar Twenty Seven million only). The Credit Agreement has become effective on May 10, 2006. The credit is available for financing export of equipments, goods and services which are eligible for export from India, under the Foreign Trade Policy of Government of India, to Senegal for setting up Irrigation projects in Senegal.

2. The terminal dates for opening Letters of Credit and disbursement of credit are 48 months from scheduled completion date of contract in case of project exports and 72 months from execution date of the Credit Agreement i.e. February 7, 2012 in case of other supply contracts.

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

4. No agency commission is payable under the above line of credit. However, if required, the exporter may use his own resources or utilize balances of his EEFC account for payment of commission in free foreign exchange. Authorised Dealer banks may allow such remittance after realisation of full payment of contract value subject to compliance with the prevailing instructions on payment of agency commission.

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 (www.eximbankindia.com).

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6.    The directions contained in this circular have 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,


**(M. Sebastian)**
**Chief General Manager**