



भारतीय रिज़र्व बैंक/RESERVE BANK OF INDIA
मुंबई/ MUMBAI – 400 001



RBI/2022-2023/179

A.P. (DIR Series) Circular No. 23

February 16, 2023

All Category – I Authorised Dealer Banks

Madam/Sir

Exim Bank's GOI-supported Line of Credit (LOC) for USD 100 million to the Government of the Republic of Maldives (GO-MDV), for financing new developmental projects and to meet spill over costs from developmental projects in Maldives already included under Lines of credit extended to GO-MDV by Exim Bank

Export-Import Bank of India (Exim Bank) has entered into an agreement dated October 02, 2022 with the Government of the Republic of Maldives, for making available to the latter, Government of India supported Line of Credit (LoC) of USD 100 million (USD Hundred Million Only) for financing new developmental projects and to meet spill over costs from developmental projects in Maldives already included under Lines of credit extended to GO-MDV by Exim Bank. The export of eligible goods and services from India for the purpose of financing new developmental projects and to meet spill over costs from developmental projects in Maldives already included under Lines of credit extended to GO-MDV by Exim Bank, 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, works 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 Agreement under the LoC is effective from January 19, 2023. Under the LoC, the terminal utilization period is 48 months from the scheduled completion date of the project.

3. Shipments under the LoC 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 LoC. 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 LoC 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

(Vivek Srivastava)
Chief General Manager