



**भारतीय रिज़र्व बैंक**

**RESERVE BANK OF INDIA**

वेबसाइट : [www.rbi.org.in/hindi](http://www.rbi.org.in/hindi)

Website : [www.rbi.org.in](http://www.rbi.org.in)

ई-मेल email: [helpdoc@rbi.org.in](mailto:helpdoc@rbi.org.in)

संचार विभाग, केंद्रीय कार्यालय, एस.बी.एस.मार्ग, मुंबई-400001

DEPARTMENT OF COMMUNICATION, Central Office, S.B.S. Marg, Mumbai-400001

फोन/Phone: 91 22 2266 0502 फैक्स/Fax: 91 22 2266 0358

January 14, 2013

## Swap Facility for Expansion of Export Credit in Foreign Currency

With a view to further enhancing the flow of credit to the export sector, the Reserve Bank of India has introduced a US Dollar-Rupee swap facility to support incremental Pre-shipment Export Credit in Foreign Currency (PCFC) by banks. Scheduled banks (excluding Regional Rural Banks (RRBs)) will have the option to access rupee refinance to the extent of the swap with the Reserve Bank under a special export credit refinance facility.

The swap facility will be available to scheduled banks (excluding RRBs) from January 21, 2013 till June 28, 2013 for fixed tenor of 3/6 months. During any particular month, the maximum amount of US dollars that banks would be eligible to avail of from the Reserve Bank through swaps would be equal to the incremental PCFC disbursed with reference to a base date (November 30, 2012), subject to a limit. The limits would be communicated to eligible individual banks separately. The limits would be reviewed periodically based on actual utilisation and other relevant factors. The overall cap for the banking system works out to US Dollar 6.5 billion.

Under the swap arrangement, a bank can buy US Dollars up to its eligible swap limit from the Reserve Bank and simultaneously sell the same amount of US Dollars forward as per the term of the swap at the prevailing market rates for swaps of similar tenor. At the end of the swap term, the bank will exchange with the Reserve Bank, the US Dollars against the rupees. The Reserve Bank's decision regarding the pricing of the swap shall be final and no request for any modification/revision to the same would be entertained.

The swap facility will be operationalised by the Financial Markets Department of the Reserve Bank at Mumbai. Depending upon the prevailing market conditions, and other relevant factors, the Reserve Bank would exercise the right to decide on the day of operation, the number of banks that can avail of the facility on any particular day, the maximum amount of swap that the Reserve Bank would undertake with the banks on any particular day and the maximum quantum of swap that each bank can do on any particular day.

The new facility comes into effect on January 21, 2013. Eligible banks can approach the Financial Markets Department by [e-mail](#) with their request for US Dollar swaps indicating the amount of US Dollars and tenor (3 month or 6 month).

**R. R. Sinha**

Deputy General Manager

Press Release : 2012-2013/1187

### Related Notifications

Jan 14, 2013	<a href="#">Swap Facility for Expansion of Export Credit in Foreign Currency</a>
Jan 14, 2013	<a href="#">Special Export Credit Refinance Facility</a>