

POLICY ENVIRONMENT

APPENDIX TABLE I.3 : INTEREST RATES ON EXPORT CREDIT

(Per cent per annum)

Export Credit	Rates Effective									
	May 1, 2003	September 26, 2001#	May 5, 2001#	January 6, 2001	May 26, 2000	October 29, 1999	April 1, 1999	August 6, 1998	April 30, 1998	January 1, 1998
1	2	3	4	5	6	7	8	9	10	11
1. Pre-shipment Credit	≤ PLR-2.5 PP	≤ PLR-2.5 PP	≤ PLR-1.5 PP	10.00	10.00	10.00	10.00	9.00	11.00	12.00
i) Up to 180 days	Free	≤ PLR+0.5 PP	≤ PLR+1.5 PP	13.00	13.00	13.00	13.00	12.00	14.00	14.00
ii) Beyond 180 days and up to 270 days	≤ PLR-2.5 PP	≤ PLR-2.5 PP	≤ PLR-1.5 PP	10.00	10.00	10.00	10.00	9.00	11.00	12.00
iii) Against incentives receivable from Government covered by ECGC Guarantee up to 90 days	≤ PLR-2.5 PP	≤ PLR-2.5 PP	≤ PLR-1.5 PP	≤ 10.00	≤ 10.00	≤ 10.00	≤ 10.00	9.00	≤ 11.00	≤ 11.00
2. Post-shipment Credit										
i) Demand Bills for transit period (as specified by FEDAI)										
ii) Usance Bills (for total period comprising usance period of export bills, transit period as specified by FEDAI and grace period wherever applicable)	≤ PLR-2.5 PP	≤ PLR-2.5 PP	≤ PLR-1.5 PP	≤ 10.00	≤ 10.00	≤ 10.00	≤ 10.00	9.00	≤ 11.00	≤ 11.00
a) Up to 90 days	Free	≤ PLR+0.5 PP	≤ PLR+1.5 PP	12.00	12.00	12.00	12.00	11.00	13.00	13.00
b) Beyond 90 days and up to six months from the date of shipment	-	-	-	-	-	-	-	-	-	20.00 ## (Min.)
c) Beyond six months from the date of shipment										
iii) Against incentives receivable from Government covered by ECGC Guarantee (up to 90 days)	≤ PLR-2.5 PP	≤ PLR-2.5 PP	≤ PLR-1.5 PP	≤ 10.00	≤ 10.00	≤ 10.00	≤ 10.00	9.00	≤ 11.00	≤ 11.00
iv) Against undrawn balance (up to 90 days)	≤ PLR-2.5 PP	≤ PLR-2.5 PP	≤ PLR-1.5 PP	≤ 10.00	≤ 10.00	≤ 10.00	≤ 10.00	9.00	≤ 11.00	≤ 11.00
v) Against retention money (for supplies portion only) payable within one year from the date of shipment (up to 90 days)	≤ PLR-2.5 PP	≤ PLR-2.5 PP	≤ PLR-1.5 PP	≤ 10.00	≤ 10.00	≤ 10.00	≤ 10.00	9.00	≤ 11.00	≤ 11.00
3. Deferred Credit	Free	Free	Free	Free	Free	Free	Free	Free	Free (FDA)	Free (FDA)
Deferred credit for the period beyond 180 days	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free
4. Export Credit, not otherwise specified	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free
a) Pre-shipment credit	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free
b) Post-shipment credit	Free	Free	Free	Free	25.00 (Min.)	Free	20.00 (Min.)	20.00 (Min.)	20.00 (Min.)	20.00 (Min.)

FDA : From the date of advance. ≤ : Not Exceeding Min. : Minimum. PP : Percentage points.

: These are ceiling rates; banks would be free to charge any rate below the ceiling rate. - : Not Applicable.

: Chronic cases, i.e., overdues as on July 1, 1997 are exempted.

Note : 'Free' means banks are free to charge interest rates keeping in view the PLR and spread guidelines.