

UBD.BPD.Dir. (Exp).No. 9 /13.05.000/2012-13

January 21, 2013

**Interest Rates on Rupee Export Credit**

In exercise of the powers conferred by Section 21 and 35A of the Banking Regulation Act, 1949 read with Section 56, and in partial modification of its Directive [UBD.BPD.Dir.\(Exp\).No.4/13.05.000/2011-12 dated June 21, 2012](#), the Reserve Bank of India being satisfied that it is necessary and expedient in the public interest so to do, hereby directs that, the Interest Subvention Scheme on Rupee Export Credit has been widened to include certain items (mentioned in Annex I) covering the Engineering Sectors on pre and post shipment export credit on the same terms and conditions as available to other sectors for the period January 1, 2013 to March 31, 2013.

Further, it is also directed that with effect from April 01, 2013 up to March 31, 2014 scheduled primary (urban) co-operative banks holding AD category I licence will charge, for specified export sectors, interest at 2 percentage point below the interest rates charged from exporters in other categories of export sector, on the outstanding amount of rupee export credit from the date of disbursement up to the date of repayment or up to the date on which the outstanding rupee export credit becomes overdue, whichever is earlier.

**Specified Sectors**

1. Handicraft
2. Carpets
3. Handlooms
4. Small and Medium Enterprises (SMEs)(as defined in Annex II)
5. Readymade Garments
6. Processed Agriculture Products
7. Sport Goods
8. Toys
9. 134 Tariff lines on Engineering Products (Annex I)

(S Karuppasamy)  
(Executive Director)