



**RESERVE BANK OF INDIA
FOREIGN EXCHANGE DEPARTMENT
CENTRAL OFFICE
MUMBAI - 400 001**

RBI/ 2004/ 141
A.P. (DIR Series) Circular No.83

April 12 , 2004

To

All Authorised Dealers in Foreign Exchange

Madam/Sirs,

**Exim Bank's Letter of Credit Refinancing Facility
of USD 20 Million to Bank Markazi Jomhouri Islami Iran**

The Export-Import Bank of India (Exim Bank) has concluded an agreement with Bank Markazi Jomhouri Islami Iran (the Central Bank of the Islamic Republic of Iran) on February 28, 2004 making available to the latter, a refinancing facility of USD 20 Million (U.S.Dollar twenty million only). The Credit Agreement has become effective from February 28, 2004 and is available for financing export from India to Iran for a period of 24 months i.e. upto February 27, 2006.

2. While Bank Markazi has designated Bank Mellat, Bank Melli, Bank Sepah, Bank Saderat, Bank Tejarat and Bank of Industry & Mine as Issuing Banks for the above credit, Exim Bank has designated Bank of Maharashtra, Union Bank of India and UTI Bank as advising/negotiating banks from the Indian side.

3. Shipments under the credit will have to be declared on GR/SDF Forms as per extant instructions.

4. No agency commission shall be payable in respect of exports financed under the above line of credit. Hence, if the exporter is required to pay agency commission, he will have to use his own resources for such payments.

5. Authorised Dealers may bring the contents of this circular to the notice of their exporter constituents and advise them to obtain full details of the refinancing facility from Exim Bank's Office or its web-site.

6. The directions contained in this circular have been issued under Sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999).

Yours faithfully,

(Grace Koshie)

Chief General Manager