

**Reserve Bank of India  
Foreign Exchange Department  
Central Office  
Mumbai - 400 001**

RBI/2004/198  
A.P.(DIR Series) Circular No.91

May 14, 2004

To  
All Authorised Dealers in Foreign Exchange

Madam/Sirs,

**Exim Bank's Line of Credit for USD 10 million  
(or equivalent Euro) to Banque Ouest Africaine  
De Developpement (BOAD -West African Development Bank)**

The Export-Import Bank of India (Exim Bank) has concluded an agreement with Banque Ouest Africaine De Developpement (BOAD- West African Development Bank) making available to the BOAD's member states in the West African Economic and Monetary Union, i.e, Burkino Faso, Benin, Cote D'Ivoire, Guinea Bissau, Mali, Niger, Senegal and Togo a Line of Credit (LOC) upto an aggregate sum of USD 10 million (U.S.Dollar ten million only) or equivalent Euro. The credit agreement has become effective from April 1, 2004 and is available for financing export of equipment, goods and services from India to buyers in BOAD's member states in the West African Economic and Monetary Union.

2. The last dates for opening letters of credit and disbursement of credit are September 30, 2005 and March 31, 2006 respectively.
3. Shipments under the credit will have to be declared on GR/SDF Forms as per instructions issued from time to time.
4. While no agency commission shall be payable in respect of exports financed under the above line of credit, Reserve Bank may consider, on merit, requests for payment of commission upto a maximum extent of 5 percent of the f.o.b./c&f/c.i.f. value in respect of goods exported and which require after sales service. In such cases, commission will have to be paid in BOAD's member states only by deduction from the invoice of relevant shipment and the reimbursable amount by the Exim Bank to the negotiating bank will be 90 percent of the f.o.b./c&f/c.i.f value minus commission paid. Approval for the payment of commission should be obtained before the relevant shipment is effected. In other cases (i.e. exports not involving after sales service), 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 Line of Credit from Exim Bank's office or its website.
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