



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

RBI/2004/148

A.P.(DIR Series) Circular No.84

April 16, 2004.

To

All Authorised Dealers in Foreign Exchange

Madam/Sirs,

**Exim Bank's Line of Credit for USD 10 million to  
Bank TuranAlem, Kazakhstan**

The Export-Import Bank of India (Exim Bank) has concluded an agreement with Bank TuranAlem , Kazakhstan on February 27, 2004 making available to the latter a Line of Credit (LOC) upto an aggregate sum of USD 10 Million (U.S.Dollar ten million only). The Credit Agreement has become effective from March 24, 2004 and is available for financing export of equipment, goods and services and any other items eligible for being exported under the 'Exim Policy' of Government of India that may be agreed upon between Exim Bank and Bank TuranAlem to buyers in Kazakhstan.

2. The last dates for opening Letters of Credit and disbursement of credit are March 23, 2006 and September 23, 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 per cent 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 Kazakhstan only by deduction from the invoice of the relevant shipment and the reimbursable amount by the Exim Bank to the negotiating bank will be 90 per cent 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), requiring payment of agency commission, the exporter 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 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