

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:579
ANSWERED ON:09.07.2004
EXPORT CREDIT
Chowdhury Shri Adhir Ranjan

Will the Minister of FINANCE be pleased to state:

- (a) whether Reserve Bank of India has drawn any negative list of various Banks abroad, whose letter of credits are not acceptable to Indian Banks;
- (b) whether it is true that Bank of India, Chandni Chowk Branch does not allow export credits against letter of credits received from non-prime Banks;
- (c) the name of countries where line of credit is available to exporters by Exim Bank; and
- (d) the steps the Government proposes to boost exports?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

- (a) Reserve Bank of India has not drawn any negative list of various banks abroad whose letters of credit are not acceptable to Indian Banks.
- (b) No case of refusal of grant of export Credit (Pre shipment and/or Post-Shipment finance) against letter of credits issued by non-prime banks by the Chandni Chowk Branch of the Bank has come to the notice of the Bank of India.
- (c) Exim Bank has currently in place 29 Lines of Credit covering 61 countries in Asia, Africa, Latin America, Confederation of Independent States, Russia and East Europe.
- (d) To give boost India's Exports, Government steps include Gold Card Scheme for credit worthy exporters with good track records for easy availability of export credit on best terms, duty free import facility for service sector, concept of agri-export zones, removal of quantitative restrictions, introduction of Special Economic Zone Scheme, streamlining of the EPCG scheme, reduction of transaction cost, non-tariff barriers, etc.