


कार्पोरेशन बैंक (सार्वजनिक क्षेत्र का अग्रणी बैंक) प्रधान कार्यालय, डा पे सं. 88 मंगलूर - 575 001	 e-CIRCULAR	Corporation Bank (A Premier Public Sector Bank) Head Office, PB No.88, Mangalore – 575 001
Credit Division [Credit Policy & Planning Section] Email : Cld2@corpbank.co.in		
HO Circular No. 65/2013	Index No. 11.00/6/2013	04-February-2013

TO ALL THE BRANCHES / OFFICES

Subject : INTEREST RATE ON EXPORT CREDIT IN FOREIGN CURRENCY

HIGHLIGHTS

Rate of Interest on Export Credit in Foreign Currency has been revised with effect from 04.02.2013

1.0 We invite the attention of all our branches and other offices to HO Circular No. 534/2012 dated 24.09.2012, communicating interest rates on Export Credit in Foreign Currency.

2.0 In order to face the competitive edge and encash the opportunity to enhance the flow of export credit in foreign currency, the rate of interest on Export credit in foreign Currency has been revised with effect from 04.02.2013 as under:

Sl. No.	Type of Credit	Existing	Revised								
(i)	Pre-shipment Credit										
(a)	Up to 180 days	350 basis points over LIBOR/EURO /EURIBOR	As per Gradation: <table border="1" data-bbox="1255 1299 1696 1760"> <thead> <tr> <th data-bbox="1255 1299 1423 1338">Gradation</th> <th data-bbox="1423 1299 1696 1338">Rate of Interest</th> </tr> </thead> <tbody> <tr> <td data-bbox="1255 1338 1423 1478">CB1 & CB2</td> <td data-bbox="1423 1338 1696 1478">Not exceeding LIBOR / EURO LIBOR /EURIBOR + 250 bps</td> </tr> <tr> <td data-bbox="1255 1478 1423 1617">CB3 & CB4</td> <td data-bbox="1423 1478 1696 1617">Not exceeding LIBOR / EURO LIBOR /EURIBOR + 275 bps</td> </tr> <tr> <td data-bbox="1255 1617 1423 1760">CB5 & above</td> <td data-bbox="1423 1617 1696 1760">Not exceeding LIBOR / EURO LIBOR /EURIBOR + 350 bps</td> </tr> </tbody> </table>	Gradation	Rate of Interest	CB1 & CB2	Not exceeding LIBOR / EURO LIBOR /EURIBOR + 250 bps	CB3 & CB4	Not exceeding LIBOR / EURO LIBOR /EURIBOR + 275 bps	CB5 & above	Not exceeding LIBOR / EURO LIBOR /EURIBOR + 350 bps
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(b)	Beyond 180 days and up to 360 days	Rate for initial period of 180 days prevailing at the time of extension plus 200 basis points i.e. (i) (a) above plus 200 basis points.	Rate for initial period of 180 days prevailing at the time of extension plus 200 basis points i.e. (i)(a) above plus 200 basis points								

(ii)	Post-shipment Credit										
(a)	On demand bills for transit period (as specified by FEDAI)	350 basis points over LIBOR/EURO LIBOR/EURIBOR	As per Gradation: <table border="1"> <thead> <tr> <th>Gradation</th> <th>Rate of Interest</th> </tr> </thead> <tbody> <tr> <td>CB1 & CB2</td> <td>Not exceeding LIBOR / EURO LIBOR /EURIBOR + 250 bps</td> </tr> <tr> <td>CB3 & CB4</td> <td>Not exceeding LIBOR / EURO LIBOR /EURIBOR + 275 bps</td> </tr> <tr> <td>CB5 & above</td> <td>Not exceeding LIBOR / EURO LIBOR /EURIBOR + 350 bps</td> </tr> </tbody> </table>	Gradation	Rate of Interest	CB1 & CB2	Not exceeding LIBOR / EURO LIBOR /EURIBOR + 250 bps	CB3 & CB4	Not exceeding LIBOR / EURO LIBOR /EURIBOR + 275 bps	CB5 & above	Not exceeding LIBOR / EURO LIBOR /EURIBOR + 350 bps
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(b)	Against usance bills (credit for total period comprising usance period of export bills, transit period as specified by FEDAI and grace period wherever applicable) Up to 6 months from the date of shipment	350 basis points over LIBOR/EURO LIBOR/EURIBOR	As per Gradation: <table border="1"> <thead> <tr> <th>Gradation</th> <th>Rate of Interest</th> </tr> </thead> <tbody> <tr> <td>CB1 & CB2</td> <td>Not exceeding LIBOR / EURO LIBOR /EURIBOR + 250 bps</td> </tr> <tr> <td>CB3 & CB4</td> <td>Not exceeding LIBOR / EURO LIBOR /EURIBOR + 275 bps</td> </tr> <tr> <td>CB5 & above</td> <td>Not exceeding LIBOR / EURO LIBOR /EURIBOR + 350 bps</td> </tr> </tbody> </table>	Gradation	Rate of Interest	CB1 & CB2	Not exceeding LIBOR / EURO LIBOR /EURIBOR + 250 bps	CB3 & CB4	Not exceeding LIBOR / EURO LIBOR /EURIBOR + 275 bps	CB5 & above	Not exceeding LIBOR / EURO LIBOR /EURIBOR + 350 bps
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(c)	Export Bills (Demand or Usance) realized after due date but up to date of crystallization	Rate as stated under 2(b) above plus 200 basis points	Rate for (ii) (b) above plus 200 basis points								

3.0 Further, the concession in the rate of interest of 0.25% p.a. [25bps] over the applicable interest rate for export credit in foreign currency to Gold Card Holders and also to borrowers with gradation upto CB3 classified as Micro & Small Enterprises **but not eligible** for concession in rate of interest under Gold Card scheme shall continue as hitherto.

4.0 The above rate of interest shall be applicable only for fresh disbursement made on or after 04.02.2013. However, in respect of existing accounts which have been sanctioned with concessional rates and such rates are below the rates now revised, the same shall continue as per respective sanction terms.

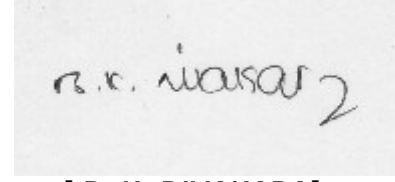
5.0 Relaxation / Concession:

Further, the Credit Approval Committee of the Board at HO may consider the further relaxation / concession in the rate of interest on case to case basis depending upon the merit of the case.

6.0 Out of Pocket expenses:

Out of pocket expenses of Rs 5,000 per USD 1 lakh for each 90 days to be collected proportionately upfront as against Rs 10,000/- as at present.

7.0 All our Branches and other Offices are advised to note the above for strict adherence.



[B K DIVAKARA]
GENERAL MANAGER

Note : Hindi version of the Circular follows.