

Interest Rate Surcharge on Import Finance

IECD.No. 4 / 08.14.01/99-2000

October 29, 1999

The Chairmen/ Chief Executives
of commercial banks

Dear Sirs,

Interest Rate Surcharge on Import Finance

Please refer to paragraph 36 (III) of the statement on “ Mid-Term Review of Monetary and Credit Policy for the Year 1999-2000 ” enclosed to Governor’s letter No.MPD.BC. 190 /07.01.279/99-2000 dated October 29,1999 regarding withdrawal of the levy of the interest rate surcharge on import finance. Accordingly, effective October 29,1999, fresh drawals as well as outstanding bank credit towards import finance will not be subject to the interest rate surcharge.

2. In view of the above, paragraph 13 B.I.7 contained in the Manual of Instructions issued by RBI (DBOD, DBS and IECD) may please be treated as cancelled.

Yours faithfully,

(V.G.Damle)
Chief General Manager