

JBIC – EXPORT CREDIT LINE – AGREEMENT WITH
STATE BANK OF INDIA

Salient Features

<u>PURPOSE</u>	Onward lending on mutually agreed terms and conditions for export of goods and services from Japan to India and Sri Lanka.
<u>COMPOSITION OF CREDIT</u>	JBIC, together with one or more FI/Bank in Japan. In principle, JBIC will extend 60% of the credit and other FI/Bank will extend 40% of the credit to State Bank of India. State Bank will on lend to importer. The loan will be on the books of State Bank of India.
<u>CREDIT RISK</u>	State Bank of India will assume credit risk for amount lent onward.
<u>MINIMUM SIZE</u>	JPY loan : JPY 50 million USD loan : USD 0.5 million
<u>MATURITY</u>	Maximum period envisaged is 10 years Period would depend on the amount borrowed.
<u>UTILISATION</u>	Appraisal and sanction to be done by State Bank of India. JBIC to be satisfied about meeting requirements under the agreement.
<u>INTEREST RATE</u>	Depends on currency and maturity period.
<u>OPPORTUNITY</u>	For Japanese exporter and Indian importer. Japanese banks and financial institutions can participate by lending up to 40% of the credit.
<u>PROCESS</u>	The Japanese exporter has to approach JBIC. Any Indian importer interested in availing of this loan may convey his interest to the exporter for availing the loan. SBI Tokyo may be informed so that they can tie-up with JBIC and the other bank.