

## **Annexure-36**

**GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE AND INDUSTRY  
DEPARTMENT OF COMMERCE**

**PUBLIC NOTICE NO. 44 (RE-2000) / 1997-2002**

**NEW DELHI: 1<sup>ST</sup> December 2000**

**Subject:** (i) Rupee deposits from Indian Importers under Direct payment/ letter of Commitment Procedure in respect of imports financed out of External Assistance.

(ii) Interest payable by Importers in respect of imports made under the Direct payment/ Letter of Commitment procedure against foreign Loans/ Credits/ Grants to Government of India.

In exercise of powers conferred under paragraph 4.11 of the Export and Import Policy, 1997-2002, the Director General of Foreign Trade hereby makes the following amendments to the procedures on the above subject:

Accordingly, in supersession of Public Notices no. 174 (PN)/92-97 dated 9<sup>th</sup> November, 1993 and No. 31-ITC(PN)/83 dated 10 August, 1983, the Rupee liability and the interest charges due from the Importers resorting to Direct Payment/ Letter of Commitment procedure under external assistance for payment to the suppliers/ consultants will be regulated as under:

- (A) The Rupee equivalent will be intimated to the importer by the Aid Accounts and Audit Division, Department of Economic Affairs, Ministry of Finance, Government of India. Selling rate notified by RBI for Government transactions relevant to the currency paid to the Supplier/ Consultant as applicable for value date on which payment was made by the Donor will form the basis for determining Rupees dues from the Importer. In case of direct payment to the Supplier/ Consultant in India Rupees, the recovery will be equal to the same amount. However, where currency paid to the Supplier/ Consultant is a currency for which RBI does not notify the rate, then the currency charged to the Loan/ Grant account of the donor will be adopted as the basis for applying the RBI Selling rate for Government transactions.
- (B) (i) The interest payable for the Rupee liability on (A) above by the Importers who are Central/ State Public Sector Undertakings or autonomous bodies substantially financed by Central/ State Government(s) will be as indicated below:-

Case where Rupee deposits are made within 90 days from the date of payment to the Supplier/ Consultant. (b) Cases where deposits are made after 90 days from the date of payment to the Supplier/ Consultant.	@ 12 % per annum upto 90 days from the date of payment to the date of Rupee deposit both days inclusive @ 12% per annum for the first 90 days and @ 15 % per annum in excess of 90 days from the date of Rupee deposit, both days inclusive.
(ii) For other Importers, the interest payable would be as indicate below, unless specifically approved otherwise:	
(a) Cases where Rupee deposits are made within 30 days from the date payment to the Supplier/ Consultant. (b) Cases where Rupee deposits are made after 30 days from the date of payment to the Supplier/ Consultant.	@ 12% per annum upto 30 days from the date of payment to the date of Rupee deposit both inclusive. @ 12% per annum for the first 30 days and @ 18% per annum in excess of 30 days from the date of payment to the date of Rupee deposit, both days inclusive.

3. Payment of interest as at (B) above will not be applicable in cases where imports are made directly by Ministries/ Departments of Government of India and the State Government.

4. The Rupee amount rounded off to the nearest one rupee as intimated by Aid Accounts & Audit Division, Department of Economics Affairs should be deposited with interest as applicable in the account of CAA&A, DEA, Ministry of Finance with the RBI, new Delhi or State Bank of India, This Hazari, Delhi through Challan and a copy of receipted challan should be sent to the Aid Accounts and Audit Division, Ministry of Finance, Department of Economic Affairs, 'B' Wing, 5<sup>th</sup> Floor, Janpath Bhawan, New Delhi-110001.

5. All the importers should note the above change in the rupee liability and ensure that necessary Rupee deposits are made by them through their banks to the Government Account in the above manner.

6. These orders take effect from 1<sup>st</sup> December, 2000 and the transactions relating to payments made to the Suppliers/ Consultants from out of the External Loan/ Credit/ Grant to the Government of India on or After 01.12.2000 will be regulated accordingly.

This issues in public interest.

(N.L.LAKHANPAL)  
DIRECTOR GENERAL OF FOREIGN TRADE