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நீதி, பொருளாதார உறுதிப்பாடு மற்றும் தேசியக் கொள்கைகள் அமைச்சு
MINISTRY OF FINANCE, ECONOMIC STABILIZATION AND NATIONAL POLICIES

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My No } Your No }

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திகதி } 21 .06.2023
Date }

To all Licensed Banks

Operating Guidelines for Importation of Essential Goods under Indian Credit Facility

This has reference to the above Operating Guideline issued by the Ministry of Finance by the letter No. MF/ICFCU/02/2022 dated 31.03.2022 and subsequent amendments to the said guideline dated 07.04.2022, 19.04.2022, 27.04.2023 and 29.04.2023.

2. Based on the one year extension received to this credit facility, the Operating Guideline is hereby amended as follows.

- The word “Ministry of Finance” is replaced with the “Ministry of Finance, Economic Stabilization and National Policies”
- Form A and Form F which described in Section 4.3, 10.4.(b) and 11.2 are revised and revised specimens are attached herewith (Annex I & II)
- The following new sections/sub sections are added and renumbered accordingly

New Section/ Sub Section	Insertion
4.4	Proforma Invoice shall be in CIF value and only DP or LC payment terms are permitted. Accordingly, renumbered the existing sub section 4.4 - 4.18 by sub section 4.5 - 4.19
4.4.1	Importer’s Bank Name, Branch and address shall clearly encompass in the Proforma Invoice.
9.3	All disputes that arise between the two parties (Importer and Exporter) regarding the respective transaction must be resolved by them in accordance with the applicable trade procedures or laws.
10.3.4	Importer’s Bank shall provide credit transfer notification to ICFCU on the transactions performed under this scheme through email (email – indiancredit@mo.treasury.gov.lk) as per the attached format (Annex III) within two days of date of transfer.
10.4.(e)	Importers should submit the Country of Origin Certificate to ICFCU as soon as goods are cleared from SL Customs
10.4.(f)	Coordinate with Importer’s Bank, Sri Lanka Customs and ICFCU to make sure LKR transfer and all relevant documents are met within one week, to process Payment Authorization to the exporter.

- The following sections are amended by editing the existing depiction

Existing	Amendment
4.9 Upon receiving the order confirmation the supplier will export goods and send import clearance documents to the importer’s bank through the Exporter’s bank.	4.10 Upon receiving the order confirmation the supplier will export goods and send import clearance documents to the importer’s bank through the Exporter’s bank. Part shipments are allowed which total of all part shipments shall not exceed the approved total value of Proforma Invoice. Each part shipment should not be less than USD10,000.00 (This ceiling is applicable only for the imports process under the 2 nd tranche of the ICL).

<p>6.1 The importation process is in force with effect from 17th March 2022 and shall be terminated once the USD 1 billion is fully utilized.</p>	<p>6.1 The importation process is in force with effect from 17th March 2022 and shall be terminated by either on 17th March 2024 or fully utilization of the credit facility; USD 1,000 Million.</p>
<p>9.2 If an importer is unable to complete the importation process within 60 days <u>not</u> due to a reason beyond the importer's control or is unable to import the essential items in required quality standards <u>not</u> due to a reason beyond the importer's control, such importers shall not be eligible to import essential items under this facility thereafter.</p>	<p>9.2 If an importer is unable to complete the importation process within the given period of time which mentioned in the approval letter <u>not</u> due to a reason beyond the importer's control or is unable to import the essential items in required quality standards <u>not</u> due to a reason beyond the importer's control, such importers shall not be eligible to import essential items under this facility thereafter.</p>
<p>10.3 Importer's Bank Importer's bank is responsible to ensure that general banking terms and instructions are followed when opening L/C and other payment terms pertaining to approved transaction under this scheme. Fund transactions from the importer's bank to BOC account maintained by the Treasury are taken place in two stages. Further the importer's bank is required to coordinate with BOC and ICFCU to carryout interbank transactions on time.</p>	<p>10.3 Importer's Bank Importer's bank is responsible to ensure that general banking terms and instructions are followed when opening LC and DP terms pertaining to approved transaction under this scheme. Further, the importer's bank is required to coordinate with BOC and ICFCU to transfers the funds from importer's bank to BOC Bank Account maintain by General Treasury on time.</p>
<p>10.3.1 In case the transaction is performed under LC terms.</p>	<p>10.3.1 Importer's bank shall facilitate the importer to proceed LC or DP under the standard payment procedure.</p>
<p>10.3.1 (b) Importer's bank shall transfer the LKR equivalent to the CIF value of invoice, converted at the rate of TT selling rate at the fund transfer day as published by the CBSL to the Account No 7041549 of Director General, Department of Development Finance, Indian Credit Line Facility (Collection Account) opened at the Taprobane Branch of Bank of Ceylon (BOC), and the bank shall release the LC clearance documents to the importer.</p>	<p>Renumbered as 10.3.2 Importer's bank shall transfer the LKR equivalent to the CIF value of invoice, converted at the rate of TT selling rate at the fund transfer day as published by the CBSL to the Account No 7041549 of Director General, Department of Development Finance, Indian Credit Line Facility (Collection Account) opened at the Taprobane Branch of Bank of Ceylon (BOC), and the bank shall release the clearance documents to the importer.</p>
<p>10.3.3 Bank should endorse the invoices as "Cleared under Indian Credit Line" when releasing clearing documents to the importers and the same should upload online to 'Remittance Management System' of Sri Lanka Customs. When updating the online 'Remittance Management System', the Bank should specify 'Terms of Payments' as "CL Credit Line". For further clarification you may contact Mr.A.U.Jayakody, Superintendent in Customs, Declaration Branch, Sri Lanka Customs (Contact Nos. 0112 2221430 / 0718640640).</p>	<p>10.3.3 Bank should endorse the invoices as "Cleared under Indian Credit Line" when releasing clearing documents to the importers and the same should upload online to 'Remittance Management System' of Sri Lanka Customs. When updating the online 'Remittance Management System', the Bank should specify 'Terms of Payments' as "ICL - Indian Credit Line". For further clarification you may contact Declaration Branch, Sri Lanka Customs (Contact No. 0112 433634).</p>

- The sections No. 10.3.1.(a), 10.3.1.(c), 10.3.2, 10.3.2.(a) 10.3.2. (b), 10.3.2. (c) are hereby deleted and others are remained unchange.

3. You are kindly requested to keep informed with these changes and act accordingly.

Thank you



R.M.P. Rathnayake

Deputy Secretary to Treasury

Copies:

1. Governor, Central Bank of Sri Lanka
2. Secretary, Ministry of Trade and Food Security
3. Director General, Department of External Resources
4. General Manager, Bank of Ceylon

Form A

Supportive documents to be submitted with the Performa Invoice.

The following documents should be submitted by the importer with respect to the prospective exporter in India.

	Description	Details	Remarks
01	Nature of entity: Company/ Proprietorship firm/ Others;	Specify here	
02	Certificate of Incorporation (or equivalent documents of constitution or association), and/or documents of registration;	Certified by company secretary/ a director/ partner/ lawyer.	
03	IEC, PAN and GST Registration details (Copies);	Certified by company secretary/ a director/ partner/ a lawyer.	
04	List of Board of Directors with their complete designation in case of nominee Directors;	Certified by company secretary	
05	The beneficial ownership with respective shareholding and nationality of shareholders of the JV Member (in case of a JV);	Applicable only for JVs	
06	A copy (self-attested on all pages) of Power of Attorney in favour of the person who has been authorised, through an appropriate Company Board Resolution or equivalent document, to sign on behalf of the Applicant;	Certified by the company secretary/ a director/ a partner/ a lawyer.	
07	Financial Status & Capacity, certified by the Statutory Auditors of the company/firm;	To be certified by the statutory Authority	

08	In case of JV, Applicant's JV Member's Information (in the format attached);	Attach duly filled form "C"	
09	Details of non-performed export contracts, if any;	Specify details	
10	Copy of necessary Certificates regarding safety from relevant agencies in India such as Food Safety and Standards Authority of India (FSSAI) in case of food items; Drugs Controller General of India (DCGI) in case of medicines etc, wherever applicable;	Certified by the company secretary/ a director/ a partner/ a lawyer.	
11	Details, as mentioned in the attached questionnaire;	Attach duly filled form "B"	
12	Declaration / Affidavit to the effect that all the information provided in the prescribed format is correct and in case any figures or information given therein are found to be incorrect and/ or certificates/documents provided in support of the relevant information entered therein are found to be fabricated, the contract will not be considered for inclusion under the credit facility (in the format attached).	Attach duly filled form "E"	
13	Agreement on Receiving Payments in Indian Rupees (INR) by the Indian Exporter's Bank	Attach duly filled form "D"	

Annexure III

Credit Transfer Notification

1	Bank Name	
2	Bank Code	
3	UNI No	
4	Importer Name	
5*	Exporter Name	
6	RTGS effected Date	
7	USD Amount of Import	
8	Charges deducted if any (USD)	
9	USD Amount of Credit	
10	LKR Amount of Credit	
11	Applied TTSR	
12	Applied TTSR Date	
13	If it is a part shipment, shipment No.	
14	Payment Method	