

Government of the People's Republic of Bangladesh
Ministry of Finance
Economic Relations Division
Asia-2 Section
(www.erd.gov.bd)


Press Release

A Credit Agreement for US\$ 2 billion soft loan titled "DOLLAR CREDIT LINE AGREEMENT" has been signed between Government of Bangladesh and the Government of India's designated Exim Bank of India today on 09 March 2016 at Economic Relations Division, Sher-e-Bangla Nagar, Dhaka. Mr. Mohammad Mejbahuddin, Senior Secretary, Economic Relations Division, Ministry of Finance on behalf of the Government of Bangladesh and Mr. Yaduvendra Mathur, Chairman & Managing Director of Exim Bank of India on behalf of Exim Bank of India have signed the credit agreement. H.E. Mr. Harshvardhan Shringla, the High Commissioner of India to Bangladesh and Senior Government Officials from both the countries were also present in the agreement signing ceremony.

The 1st "DOLLAR CREDIT LINE AGREEMENT" for US\$ 1 billion was signed between the two countries in 2010. In continuation of the 1st credit agreement, the 2nd credit agreement for US\$ 2 billion soft loan has been signed today. The interest for Indian soft loan is 1.00%. The repayment period of this loan is 20 years including a grace period of 5 years.

A range of development projects in the socio-economic sectors of Bangladesh such as Railway Communication, Road Transport, Power, Education, Health, ICT, Shipping, Economic Zone, will be implemented under the newly signed credit agreement of US\$ 2 billion. Some development projects have been primarily selected with mutual consultation between the governments of two countries.

The bilateral relationship between Bangladesh and India in various sectors is very cordial and friendly. The US\$ 2 billion soft loan committed by the Government of India will play a significant role in the socio-economic development of Bangladesh which will be congenial for fostering the ongoing development partnership between the two countries.

 09.03.16

Md. Raihan Kabir
Assistant Chief
Economic Relations Division
Ministry of Finance
Govt. of the People's Republic of Bangladesh