

# STRUCTURE OF EXTERNAL COMMERCIAL BORROWING



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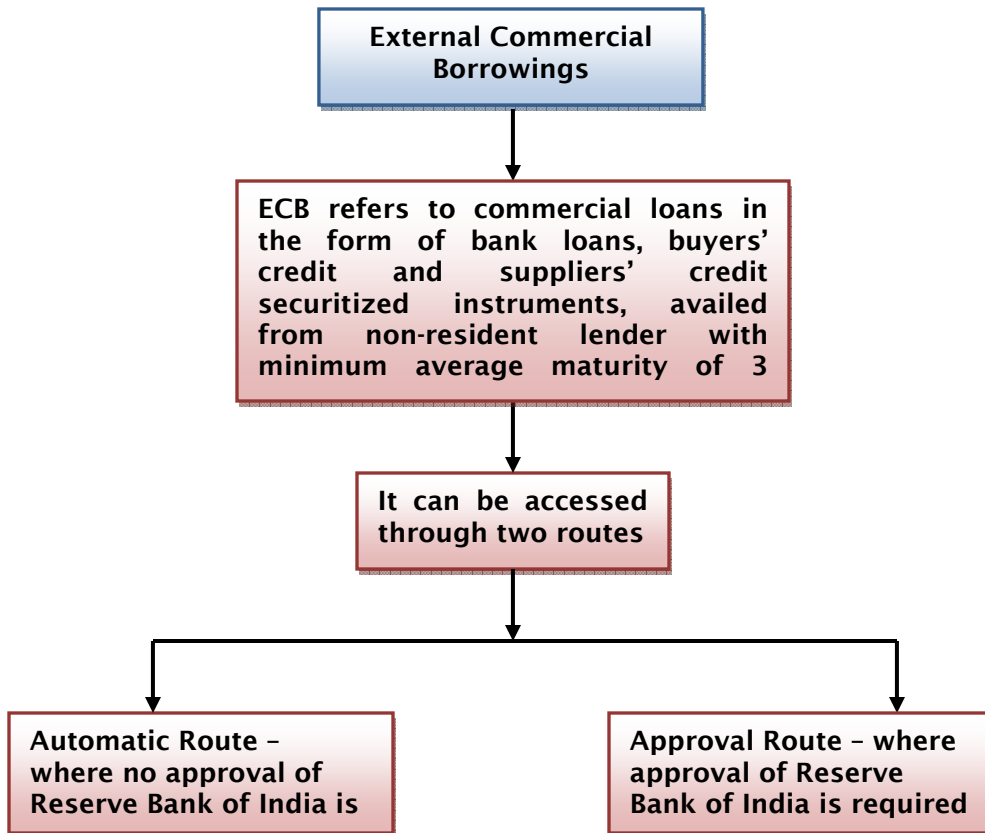
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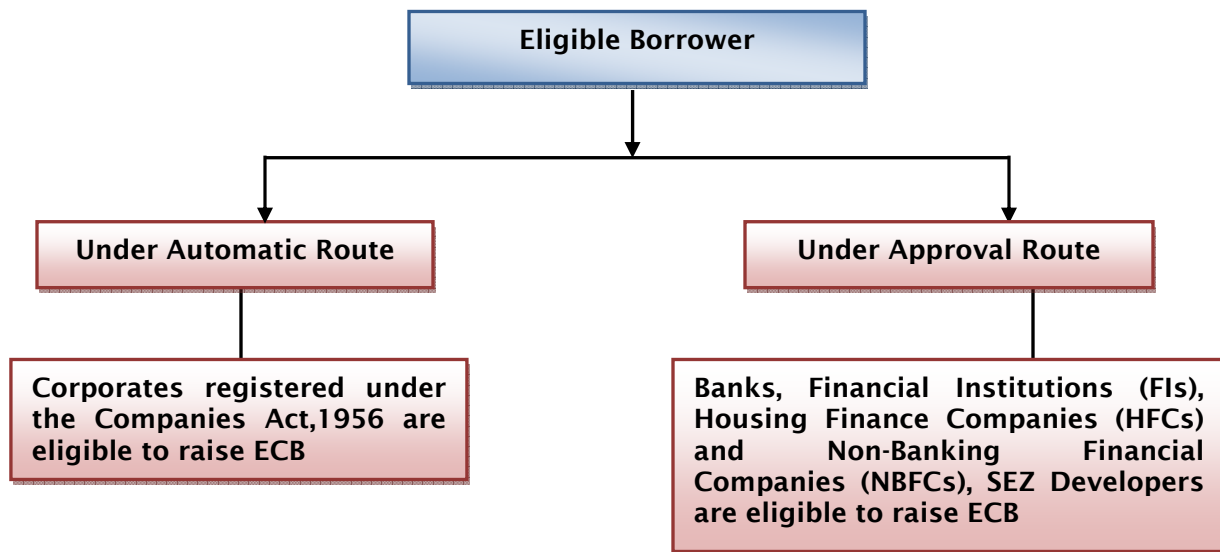
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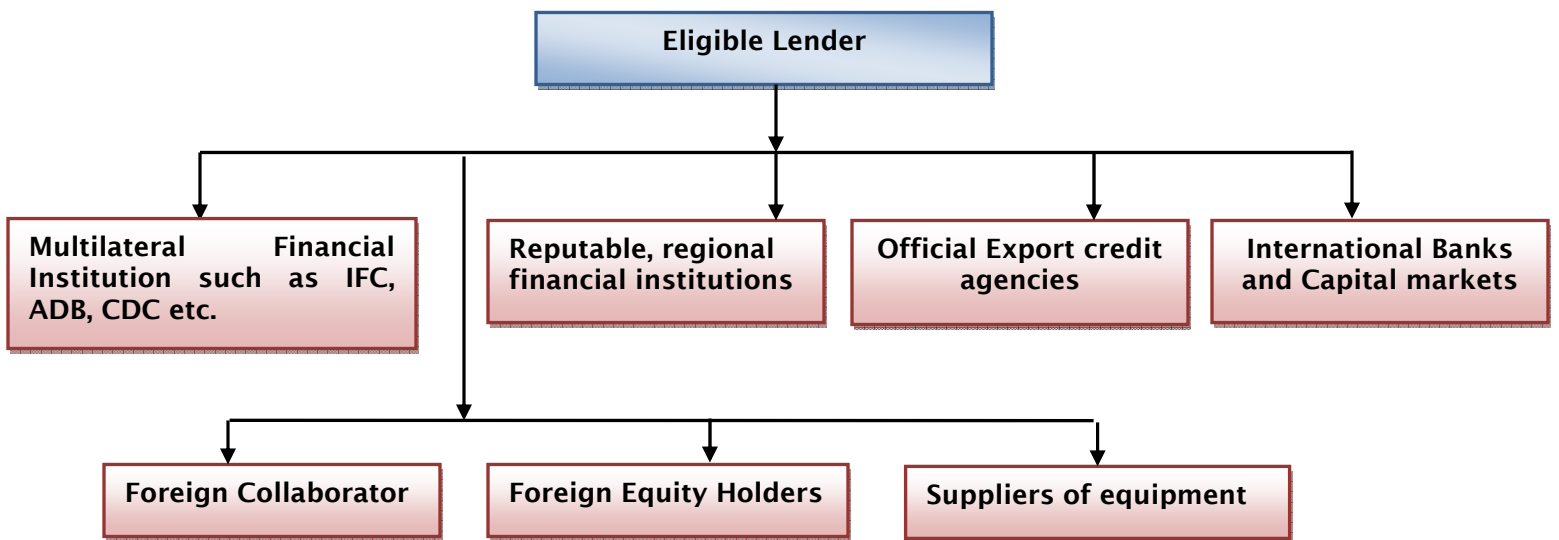
## EXTERNAL COMMERCIAL BORROWINGS



**ELIGIBLE ENTITIES**



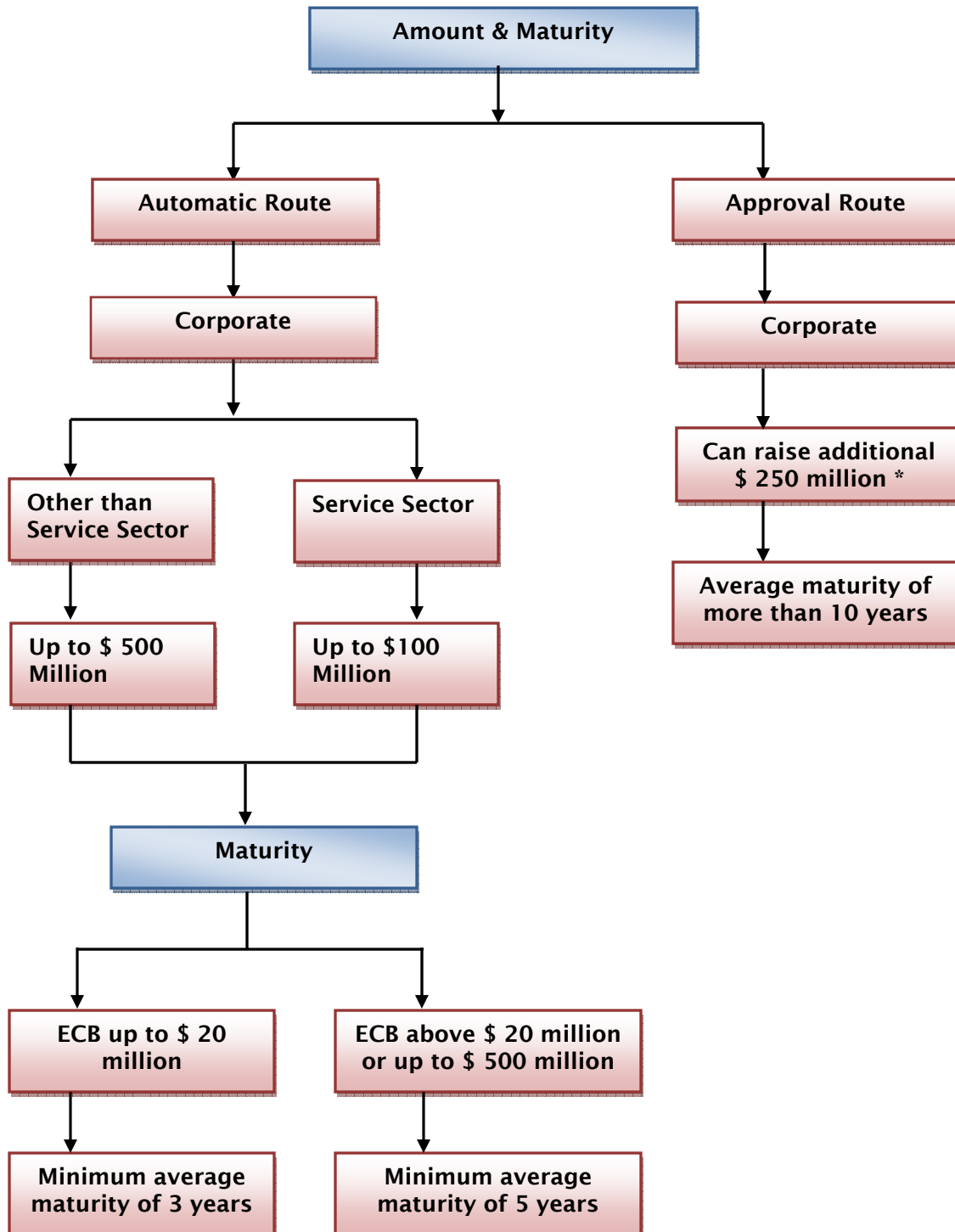
**Note:** Individuals, Trusts and Non-Profit making organization are not eligible to raise External Commercial Borrowings.



**Note:** Foreign Equity holder to be eligible as “recognized lender” under automatic route would require the minimum holding of paid up equity in the borrower company as set out below:

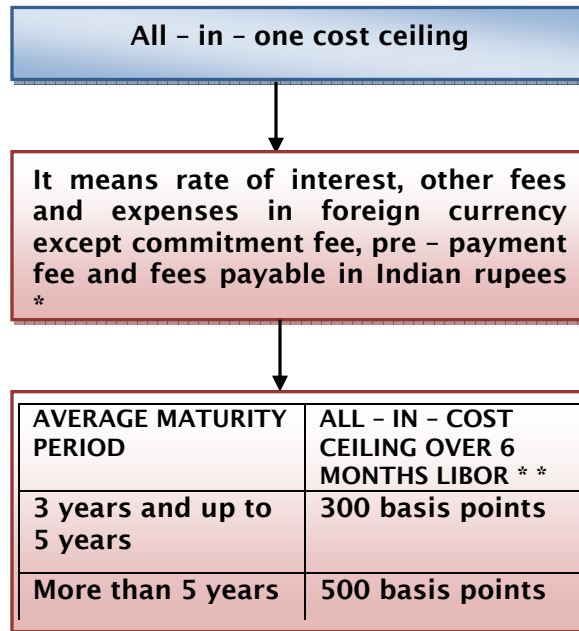
1. For ECB upto USD 5 million - Minimum paid up equity of 25% held directly by the lender
2. For ECB more than USD 5 million - Minimum paid up equity of 25% held directly by the lender and debt - equity ratio not exceeding 4:1.

AMOUNT AND MATURITY



\* This is over and above the existing limit of Rs. 500 million under automatic route

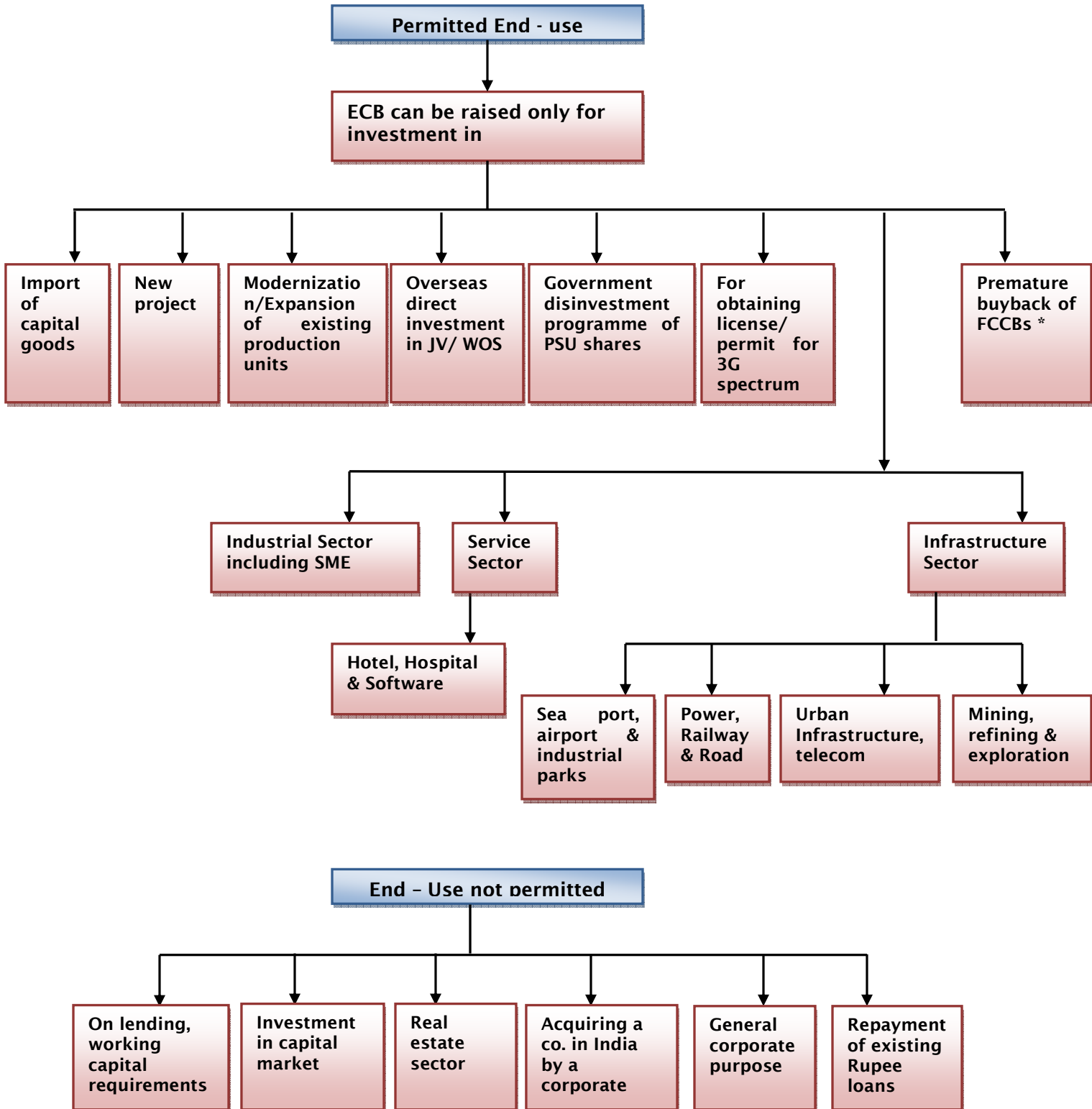
## ALL - IN - ONE COST CEILING



\* Payment of withholding tax in Indian Rupees is excluded for calculating the all-in-cost.

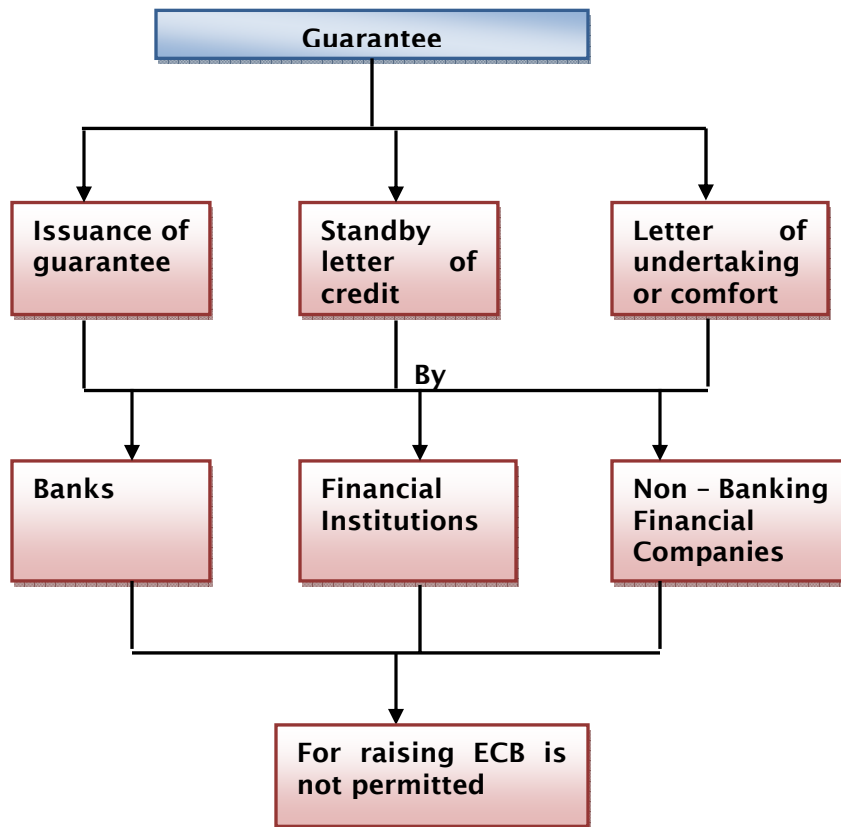
\*\* For the respective currency of borrowing or applicable benchmark

**END - USE**



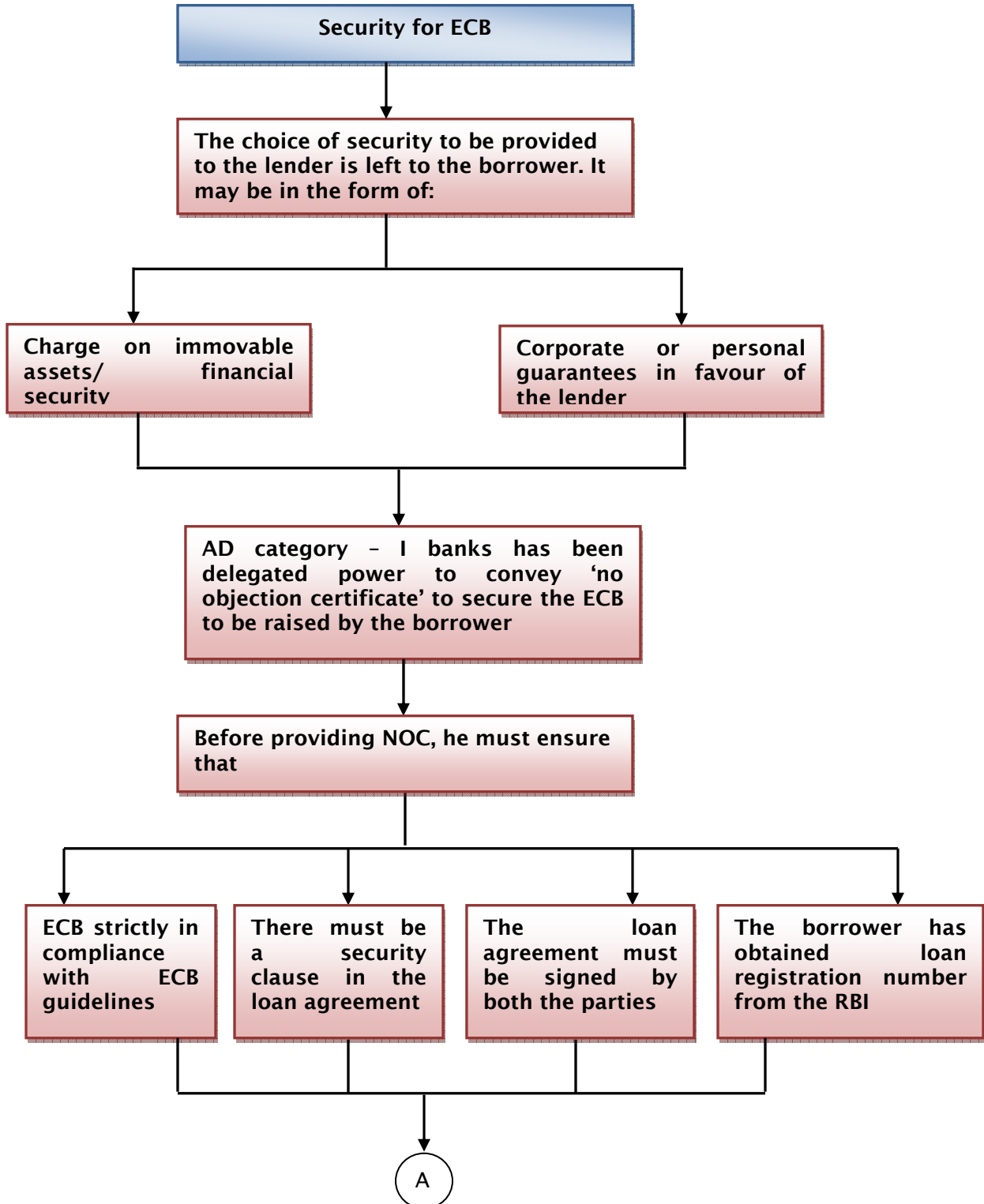
\* This facility is available upto 31.12.2009 subject to compliance with the terms and conditions.

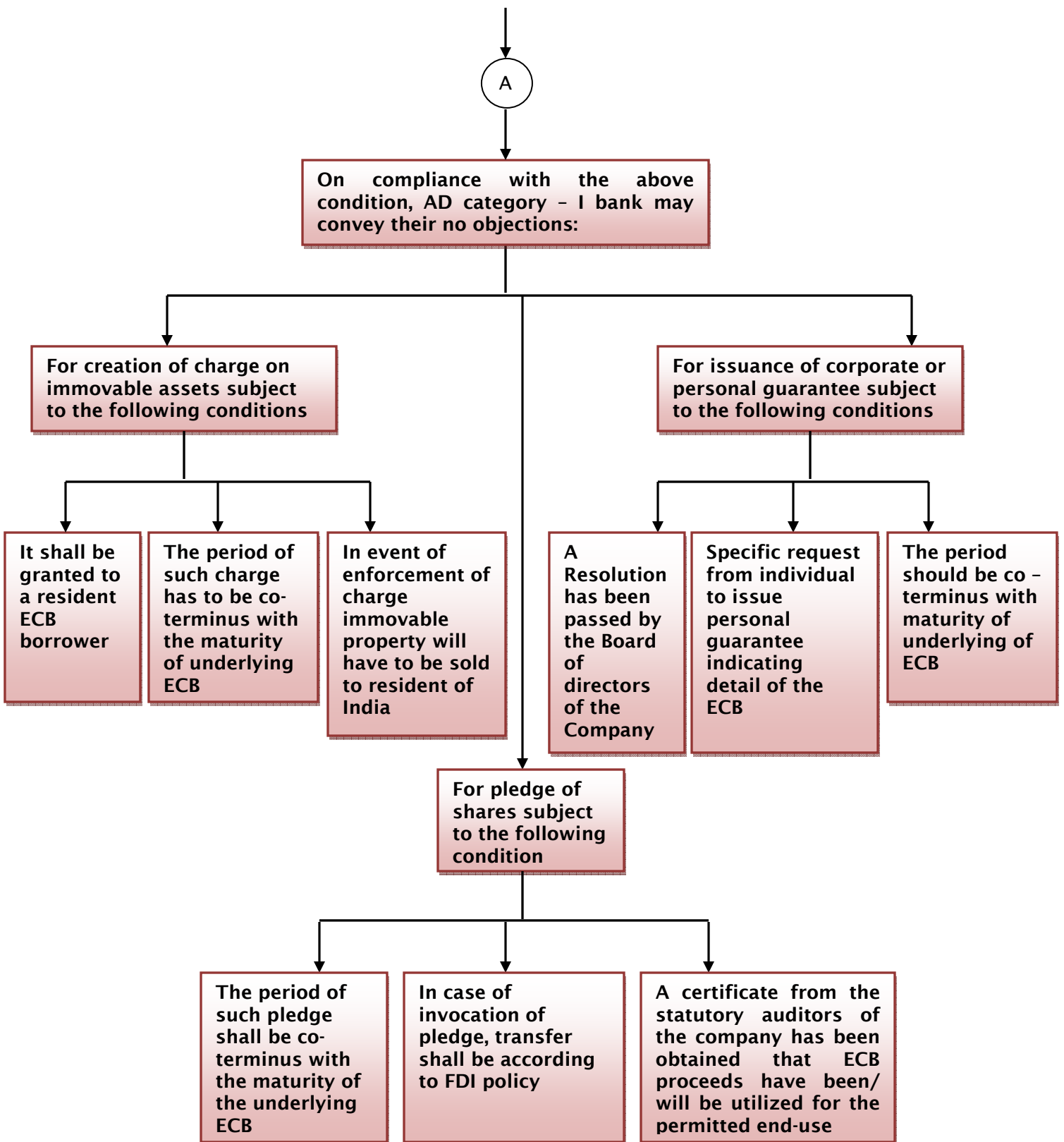
**GUARANTEES**



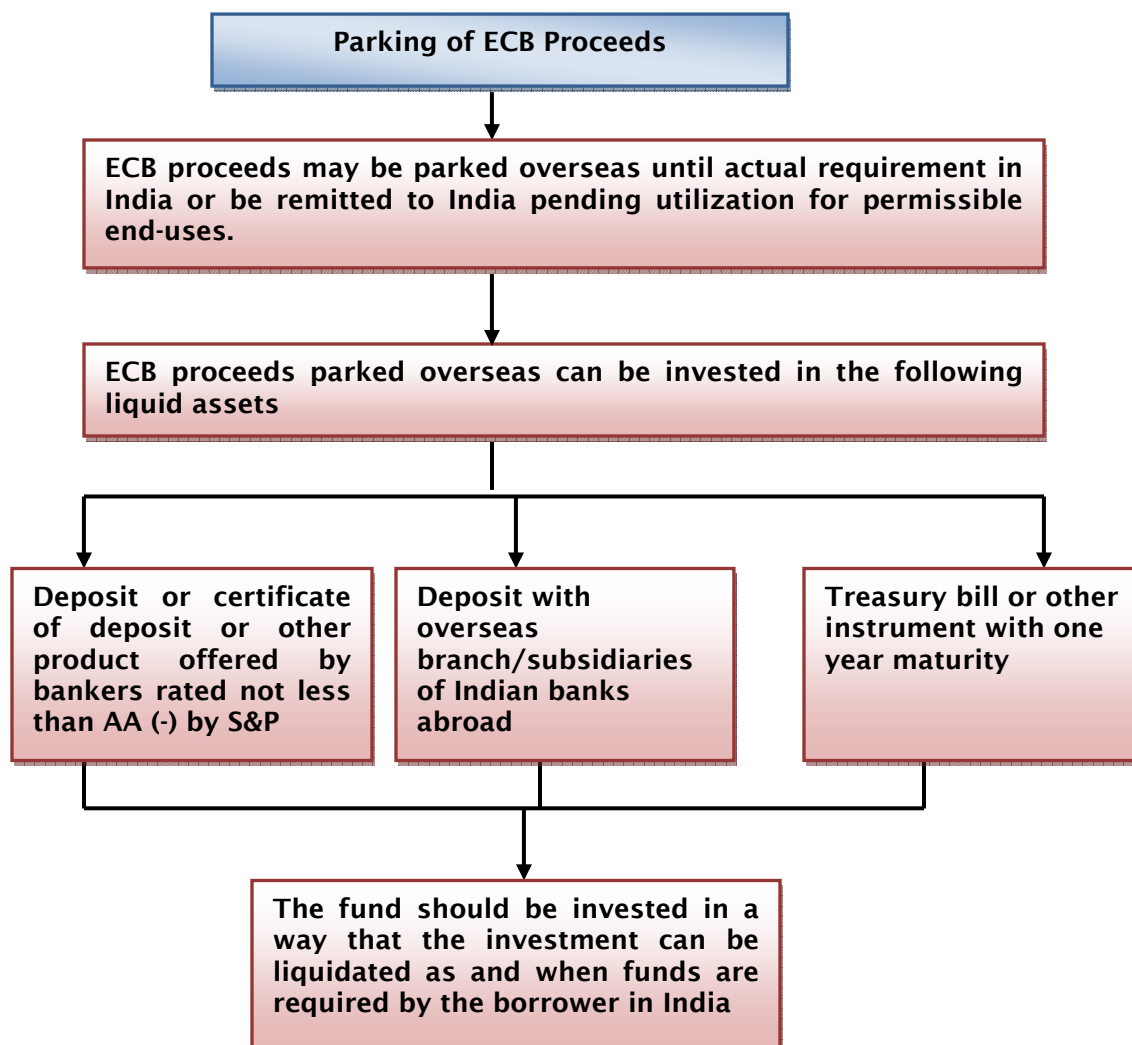


## SECURITY





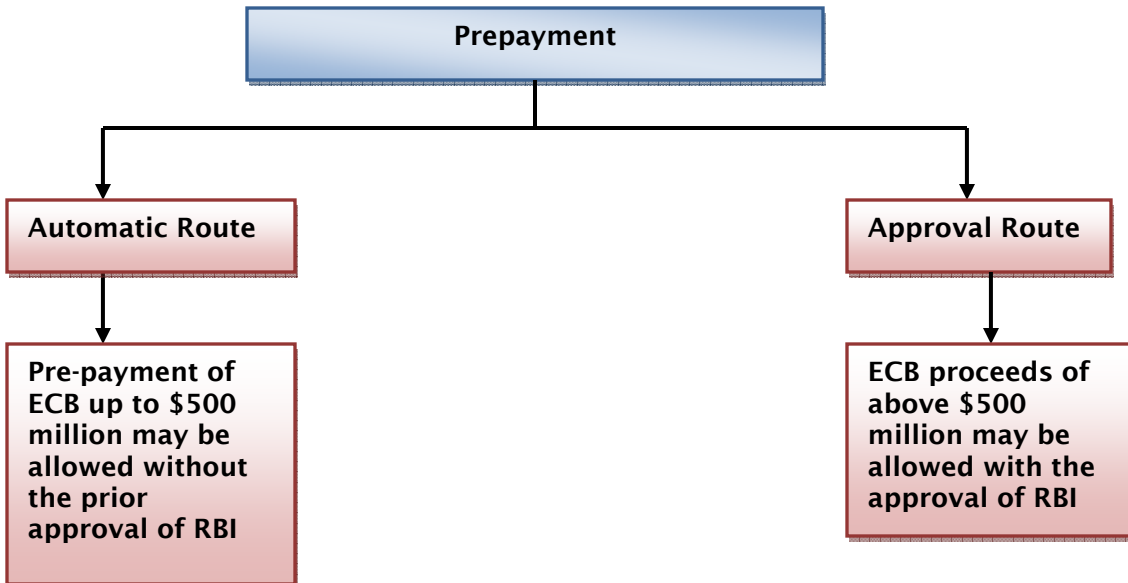
## PARKING OF ECB PROCEEDS



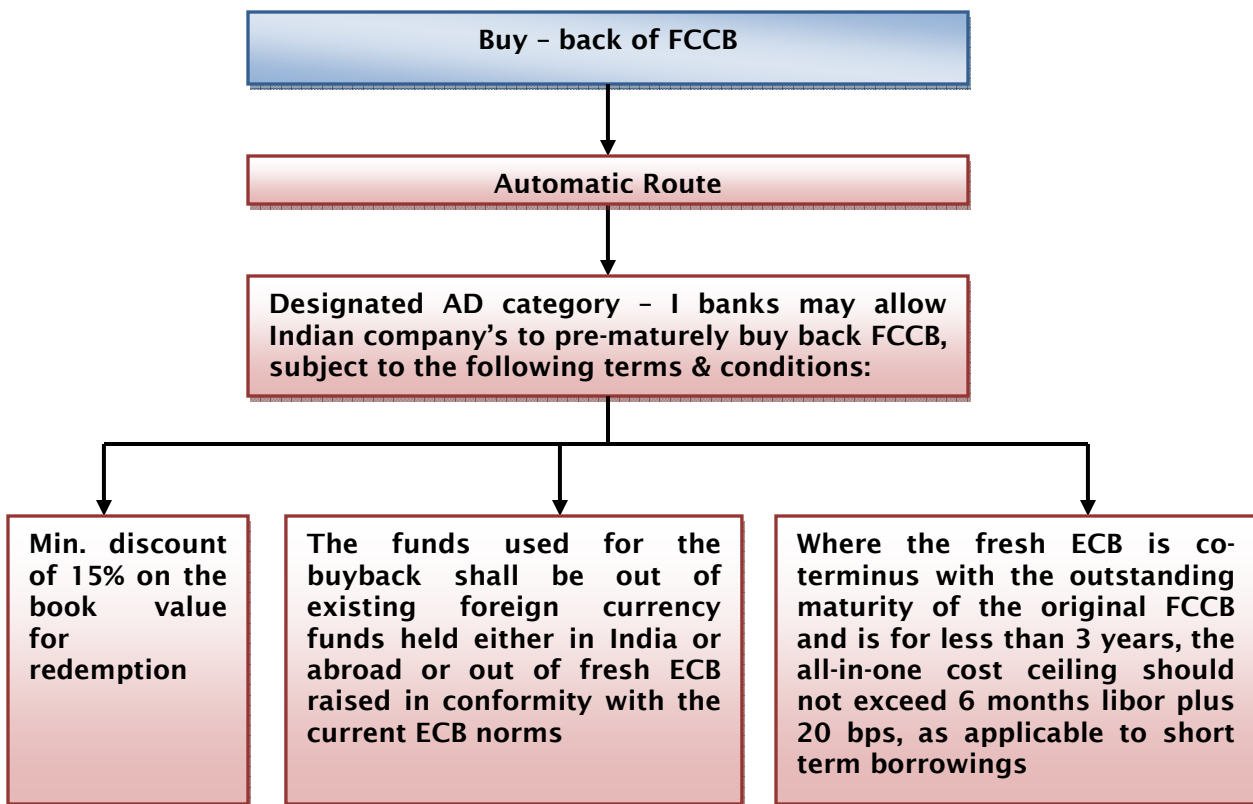
**Note:** The funds should be invested in such a way that the investments can be liquidated as and when funds are required by the borrower in India.

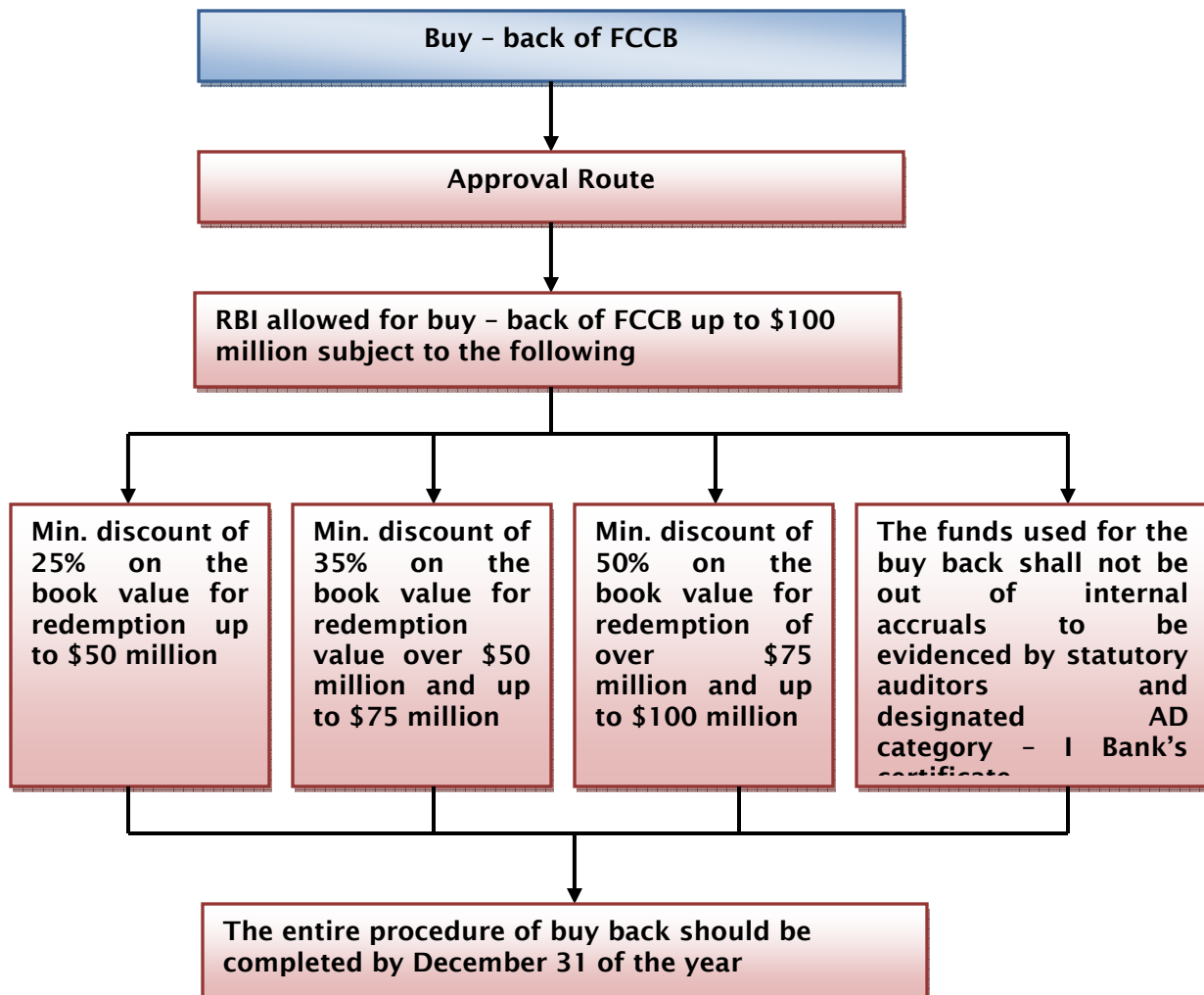
The funds remitted to Indian to be utilized for permissible end - uses can be invested in Fixed Deposits till the time of actual use.

## PREPAYMENT

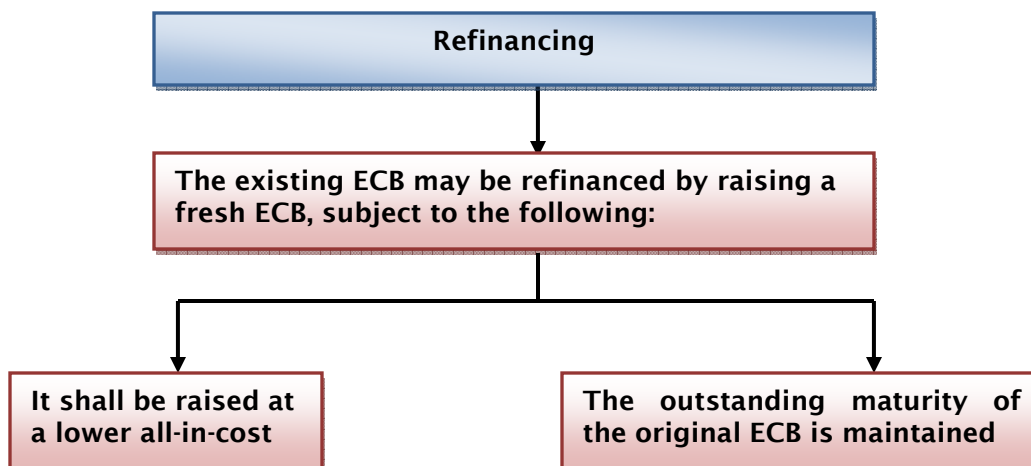


## BUY - BACK OF FCCB

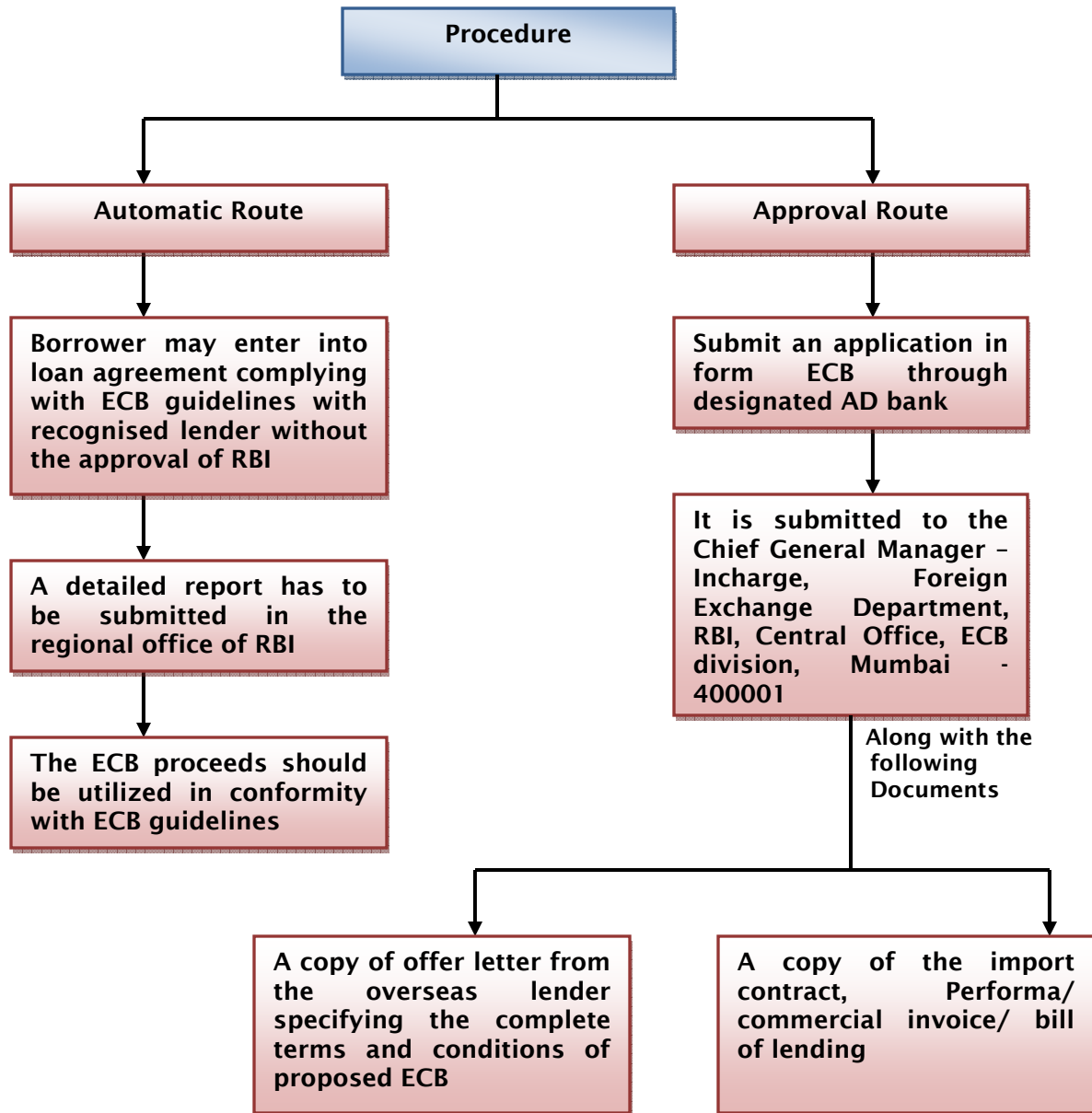




**REFINANCING**



PROCEDURE



## REPORTING COMPLIANCES

