



**RESERVE BANK OF INDIA**  
**Foreign Exchange Department**  
**Central Office**  
**Mumbai - 400 001**

**RBI/2013-14/304**

**A.P. (DIR Series) Circular No 59**

**September 30, 2013**

To,

All Authorised Dealer Category - I Banks

Madam / Sir

**External Commercial Borrowings (ECB) Policy –  
Refinancing / Rescheduling of ECB**

Attention of Authorized Dealer Category-I (AD Category-I) banks is invited to [A. P. \(DIR Series\) Circular No. 5 dated August 01, 2005](#) and [A.P. \(DIR Series\) Circular No. 112 dated April 20, 2012](#) relating to External Commercial Borrowings (ECB).

2. As per the extant guidelines, the eligible borrowers desirous of refinancing an existing ECB can raise fresh ECB at a higher all-in-cost / reschedule an existing ECB at a higher all-in-cost under the approval route subject to the condition that the enhanced all-in-cost does not exceed the all-in-cost ceiling prescribed as per extant guidelines.

3. On a review, it has been decided to discontinue this facility allowing eligible borrowers to raise ECB at a higher all-in-cost to refinance / reschedule an existing ECB with effect from October 01, 2013.

4. The scheme of refinance of existing ECB by raising fresh ECB at lower all-in-cost, subject to the condition that the outstanding maturity of the original ECB is either maintained or extended, will continue as hitherto under the automatic route and approval route as the case may be.

5. All other aspects of ECB policy shall remain unchanged. AD Category-I banks may bring the contents of this circular to the notice of their constituents and customers concerned.

6. The directions contained in this circular have been issued under sections 10 (4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.

Yours faithfully

**(C. D. Srinivasan)**  
**Chief General Manager**