



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

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**RBI/2012-13/387**

**A.P. (DIR Series) Circular No.78**

**January 21, 2013**

To,  
All Category - I Authorised Dealer Banks

Madam / Sir,

**External Commercial Borrowings (ECB) Policy –  
Repayment of Rupee loans and/or fresh Rupee  
capital expenditure – USD 10 billion scheme**

Attention of Authorized Dealer Category - I (AD Category - I) banks is invited to [A.P. \(DIR Series\) Circular No. 134 dated June 25, 2012](#) and [A.P. \(DIR Series\) Circular No. 26 dated September 11, 2012](#).

2. As per the extant guidelines, Indian companies in the manufacturing and infrastructure sector (as defined under the extant ECB policy), which are consistent foreign exchange earners, are allowed to avail of ECBs for repayment of outstanding Rupee loan(s) availed of from the domestic banking system and / or for fresh Rupee capital expenditure.
3. On a review, it has been decided to include Indian companies in the hotel sector (with a total project cost of INR 250 crore or more), irrespective of geographical location as eligible borrowers under this scheme. AD may certify the project cost at the time of forwarding the ECB application to the Reserve Bank.
4. All other aspects of the scheme shall remain unchanged and the amended ECB policy will come into force with immediate effect and is subject to review based on the experience gained in this regard.
5. AD Category-I banks may bring the contents of this circular to the notice of their constituents and customers concerned.

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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,

**(Rashmi Fauzdar)**  
**Chief General Manager**