



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

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June 30, 2011

Buyback / Prepayment of Foreign Currency Convertible Bonds (FCCBs)

After reviewing the current policy on buyback/prepayment of Foreign Currency Convertible Bonds (FCCBs), the Reserve Bank in consultation with the Government of India, has decided to extend the time limit for buyback of FCCBs issued by Indian companies up to March 31, 2012 at reduced discount rates. Accordingly, Indian companies have been permitted to buyback the FCCBs at a minimum discount of 8 per cent on the book value utilizing their foreign currency funds under the automatic route. Indian companies may also buyback the FCCBs at a minimum discount between 10 and 20 per cent on the book value utilizing their internal accruals under the approval route. Detailed instructions have been issued vide [A.P. \(DIR Series\) Circular No. 75 dated June 30, 2011](#).

Press Release : 2010-2011/1909

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