



**RESERVE BANK OF INDIA
Mumbai - 400 001**

RBI/2015-16/440

A.P. (DIR Series) Circular No. 80

June 30, 2016

To

All Authorised Dealer Category-I Banks

Madam / Sir

External Commercial Borrowings (ECB) – Approval Route cases

Attention of Authorized Dealer Category-I (AD Category-I) banks is invited to paragraph no. D.15 of Annex to [A.P. \(DIR Series\) Circular No.32 dated November 30, 2015](#) and paragraph no. 2.11 of [Master Direction No.5 dated January 1, 2016](#) on External Commercial Borrowings, Trade Credit, Borrowing and Lending in Foreign Currency by Authorised Dealers and Persons other than Authorised Dealers, in respect of ECB cases coming under the approval route. In terms of the aforesaid Circular/Direction, cases coming under the approval route were required to be considered by an Empowered Committee set up by the Reserve Bank based on the parameters stated therein.

2. With a view to rationalizing and expediting the process of giving approval, it has been decided that ECB proposals received in the Reserve Bank above a certain threshold limit (refixed from time to time) be placed before the Empowered Committee. The Reserve Bank will take a final decision in the cases taking into account the recommendation of the Empowered Committee.

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

4. The [Master Direction No. 5 dated January 01, 2016](#) is being updated to reflect the changes.

5. The directions contained in this circular have been issued under section 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,

(A. K. Pandey)
Chief General Manager