

1	2	3	4	5	6	7	8
	Urban Coop. Bank	0.83	352.25	.11	18.57	0.0094	370.82
	TOTAL	146.33	18713.97	39.5611	4469.63	1.850511	23183.61 (Refund 23.08) 23160.53
NABARD	SCBs	112.01	15616.82	17.80	2665.48	1.30	18282.30
	RRBs	33.74	6056.39	5.03	917.28	0.38	6973.66
	SLDBs	17.13	3424.97	2.54	418.40	0.20	3843.37
	TOTAL	162.88	25098.18	25.37	4001.16	1.88	29099.33
	TOTAL	309.21	43812.15	64.9311	8470.79 (Refund 23.08 cr) 8447.71	3.730511	52259.86

Source : RBI/NABARD

#### **Norms for refinancing of ECBs**

2591. SHRI A. K. SELVARAJ: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India (RBI) has eased norms to refinance External Commercial Borrowings (ECBs);

(b) if so, the details thereof;

(c) whether the RBI has also allowed banks to approve even those cases where the average maturity period of fresh borrowing exceeded the residual maturity of existing loans; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) Extant policy on External Commercial Borrowings (ECB) permits refinancing of existing ECB by raising fresh ECB at lower all-in-cost.

(b) Authorized Dealer (AD) Category-1 banks are permitted to approve refinancing of the existing ECB raising fresh ECB at lower all-in-cost, subject to the following conditions:

- (i) both the existing and fresh ECBs should be in compliance with the applicable guidelines;
- (ii) All-in-cost of fresh ECB should be less than that of the all-in-cost of existing ECB;

- (iii) The outstanding maturity of the original loan is maintained;
- (iv) Consent of the existing lender is available;
- (v) Refinancing is to be undertaken before the maturity of the existing ECB;
- (vi) Borrower should not be in the default/caution list of RBI and should not be under investigation by the Directorate of Enforcement (DoE);
- (vii) Overseas branches/subsidiaries of Indian banks will not be permitted to extend ECB for refinancing an existing ECB; and
- (viii) All requirements in respect of reporting arrangements like filing of revised Form 83 etc. are followed.

This facility is available even in those cases where existing ECBs were raised under the approval route subject to the amount of new ECBs being eligible to be raised under the automatic route.

(c) and (d) AD Category-1 banks are also permitted to approve refinancing of existing ECBs even in those cases where the average maturity period of fresh borrowing exceeds the residual maturity of existing loans (*i.e.*, the outstanding maturity of original borrowing is not reduced).

#### **Legal bankruptcy framework**

2592. SHRI M.P. ACHUTHAN:

SHRI D. RAJA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Minister in his Budget 2014-15 speech had said that Government would bring out an entrepreneur-friendly legal bankruptcy framework for small and medium enterprises to enable easy exists; and

(b) if so, the details thereof and the action being taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) and (b) Yes, Sir. The Finance Minister in para 106 of the Budget Speech 2014-15 has announced that an "Entrepreneur friendly legal bankruptcy framework be developed for SMEs to enable easy exit".

Pursuant to the above announcement, Government on 22nd August 2014, has set up a Committee under the Chairmanship of Shri T.K. Viswanathan, former Law Secretary and former Secretary General Lok Sabha to study the corporate bankruptcy legal framework in India.