Borrowing & Lending provisions of FEMA - Rupee Loans

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FEMA authority

- Governed by sec. 6 sub-sec. 3 (e) of FEMA 1999 read with FEM (Borrowing and Lending in Rupees) Regulations, 2000, notified vide Notification No. FEMA 4/2000-RB dated May 3, 2000.
- **FED Master Direction No. 6/2015-16 January 1, 2016 (last updated in December 2013)**
- Master Direction on reporting (MD No. 18 dated January 01, 2016)
- AP Dir. Circulars issued to Authorised Persons

(all as amended from time to time)

INR BORROWING AND LENDING

INR Borrowing from NRIs/PIOs

By Resident Persons other than Cos.

- only on a non-repatriation basis;
-loan should be received by inward rem. from outside India or by debit to NRE/NRO/FCNR(B)
-/NRNR/NRSR of the lender
-- Period of loan shall not exceed 3 years;
-Interest on the loan shall not be more than 2% above Bank Rate (as on the date of availment)
-Payment of interest and principal shall be made only to the NRO account of the lender.

By Companies

By Companies:-

Borrowing company does not engage in agri./plantation/RE business; Trade in transferable development rights; or Nidhi or Chit fund business.

- by isssue of NCDs, made by public offer;

--The rate of interest is not more than the PLR of SBI + 3%

-Period of loan shall not be less than three years;

-If on repatriation basis, percentage of NCDs issued to NRIs/PIOs to the total paid up value of all NCDs issued shall be within ceiling prescribed for issue of shares/CDs for FDI.

-- funds should be received through inward rem. or by debit to NRE/FCNR(B) account of the investor

-If on non-repatriation basis the amount should be received either by inward rem. or by debit to NRE/NRO/FCNR(B) /NRNR/NRSR account of the investor

-Payment of interest/principal shall be only to the NRO account.

End use restrictions

- To be utilised only for own business of the borrower other than what is prohibited (including construction of farm houses)
- shall not be used for investment or for onlending.
- RBI may permit borrowers to use the amount borrowed for on-lending to infrastructure sector or invest in FD with banks in India, pending utilisation for permissible end-uses.

Reporting

- Borrowing Co. should file with the RBI, not later than 30 days from the date of:
- Receipt of remittance for investment in NCDs, full details of the remittances received, as also
- Issue of NCDs, full details of the investment, viz., (a) a list containing names and addresses of NRIs and number of NCDs issued to each of them and (b) a certificate from its Co. Secretary that all applicable provisions for issue of NCDs have been duly complied with.

INR Lending by ADs to NRI

For own requirements/ own businesses

By AD/HFC to NRI_ PIO for Housing

To acquire shares under ESOP

INR Lending by others

Lending by Cos to NRI PIO staff

Lending by RI to NRI

Change of status

Borro-wer becomi-ng PROI

Lender becom-ing PROI

Lending by AD to NRI

- against security of shares/other securities or against immovable property (other than agricultural or plantation land or farm house) held by NRI s/t the following terms and conditions:

i. End use restrictions apply. Further, loan proceeds cannot be used for any other activity where foreign investment is not allowed.

ii. The loan amount shall not be remitted outside India or credited to NRE/FCNR(B)/NRNR account of the borrower;

iii. The directives of RBI on such loans and directives on advances against shares/securities /immovable property shall be duly complied with;

iv. Repayment of loan should be either by inward rem. from outside India or by debit to NRE/NRO/FCNR(B)/NRNR/NRSR account of the borrower and/or out of sale proceeds realised through securities offered for the loans. Can also be repaid by any relative.

v. compliance with applicable prudential norms of the RBI

AD bank may also grant INR loans to NRI for any other purpose provided it is as per the board approved policy of the AD and loan proceeds are not used for investment in capital market including margin trading and derivatives. Repayment of the loan shall happen by remittance from outside India or by debit to NRE/FCNR(B)/NRO account.

Lending by AD to NRI employees of Indian company for ESOP

- may grant INR loan to NRI employees of Indian companies for acquiring shares of the companies under ESOP Scheme subject to the following terms and conditions:
- i. shall be as per the policy approved by the Board of the bank, shall also be subjected to capital market exposure/other prudential norms;
- ii. Loan amount should not exceed 90% of the purchase price of the shares or INR 20 lakhs per NRI employee, whichever is lower;
- iii. The rate of interest and margin on such loans may be decided by the banks, subject to directives issued by the RBI from time to time;
- iv. The amount shall be paid directly to the company
- v. The loan amount shall be repaid by way of inward rem. or by debit to NRO/NRE/FCNR(B) account of the borrower.

Lending by AD/HFC to NRI_PIO for Housing

- Quantum, margin money and repmt. period shall be at par with those applicable to housing finance provided to a resident in India;
- ii. Loan shall not be credited to NRE/FCNR(B)/NRNR account.
- iii. Loan shall be fully secured by equitable mortgage of the property and also by lien on the borrower's other assets in India;
- iv. The instalment, interest and other charges, shall be paid by rem. from outside India or out of funds in NRE/ FCNR(B)/ NRNR/ NRO/ NRSR account or out of rental income derived from renting out the property acquired or by any relative of the borrower in India by crediting the borrower's loan account through account to account transfer;
- v. The rate of interest on the loan shall conform to the directives issued, if any, by the RBI and/ or NHB.

INR loans by Indian body corporate to its NRI/PIO employees

- Loan shall be granted only for personal purposes including purchase of housing property in India;
- ii. Loan shall be granted in accordance with the lender's Staff Welfare Scheme/Staff Housing Loan Scheme and other terms and conditions applicable to its staff resident in India;
- iii. The lender shall ensure that the loan amount is not used for the prohibited purposes (agri/plantation/RE/Farm house etc)
- iv. The lender shall credit the loan amount to the borrower's NRO account or shall ensure credit to such account by specific indication on the payment instrument;
- v. Repayment shall be made only by way of rem. from outside India or from NRE/NRO/FCNR(B) account and by no other source. This condition shall be inbuilt in the loan agreement.

INR Loans by Resident Individual to NRI relative

- loan is free of interest and the minimum maturity of the loan is one year;
- ii.Loan amount should be within the overall limit under the Liberalised Remittance Scheme per financial year (individual shall ensure that the applicable limit is not breached)
- iii. The utilisation of loans shall meet the end use provisions .
- iv. The loan amount shall not be remitted outside India but shall be credited to the NRO account of the borrower;
- v. Repayment of loan shall be made by way of inward rem. outside India or by debit to the NRO/NRE/FCNR(B) account of the borrower or out of the sale proceeds of the shares or securities or immovable property against which such loan was granted.

Borrower status changed to person resident outside India

- Resident becomes NRI - Loan /OD from AD bank may be allowed to continue till maturity s/t AD's satisfaction;
- Repayment shall be out of inward remittance from outside India or from NRE/FCNR(B)/ NRNR/NRO/NRSR account of the borrower, as long as he/she remains non-resident.

Status of the lender changes to a person resident outside India:

- **Rupee loan granted (by person resident in India) to another person resident in India -- Lender subsequently becomes a person resident outside India**
- **Repayment of the loan by the resident borrower should be made by credit to the NRO account of the lender.**

OD by AD to its branches/ Correspondent Banks/HO outside India

- **AD may permit a temporary overdraft, for value not exceeding INR 500 lakhs, in Vostro (INR accounts) maintained by its branches or correspondents or HO outside India, s/t to such terms and conditions as the Reserve Bank may direct from time to time.**
- **the aggregate amount of overdrafts permitted by the AD to all his branches, correspondents and HO outside India shall be taken into account for arriving at the ceiling of Rs. 500 lakhs.**

Lending _ Borrowing Provisions - Foreign currency Loans

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FEMA authority

- Governed by clause 3 (d) sec.6 of FEMA, 1999
- Notification No. FEMA 3R/2018-RB dated December 17, 2018
- FED Master Direction No.5/2018-19 March 26, 2019 – ECB & Trade Credit.
- Master Direction on reporting (MD No. 18 dated January 01, 2016) & AP Dir. Circulars issued to Authorised Persons (all as amended from time to time)

ECBs ?

- ECBs are commercial loans
- **Eligible** resident entities borrow from **Recognised** non-resident entities
- Conforming to parameters such as minimum maturity, permitted and non-permitted end-uses, maximum all-in-cost ceiling, etc.
- Two options = Fcy ECBs & INR ECBs
- Rupee Denominated Bonds
- Is ECB a cheap option? Really?

Sample calculation

	Rs	USD	USD
Borrowed amount	6000000	100000	100000
Years		3	
RoI		3250	3.25%
3 years’ Interest		9750	
Repayment due		109750	
On repayment	7902000	New XR@72	
Interest for 3 yrs %	31.7		
RoI	10.57		

Forms and Routes of ECBs

- 1**. Fcy denominated & 2. Rupee denominated**
- Automatic Route : approach AD bank with duly filled Form ECB. LRN, Draw down & ECB 2
- RBI approval Route: apply to RBI in Form ECB; Considered on merits, keeping in view the guidelines, and macro-economic situation.
- Above certain threshold -Reserve Bank will take a final decision as per recommendations of the Empowered Committee.

Eligible borrowers & Recog. Lenders

- All entities eligible to receive FDI can get ECB
- For INR denominated ECBs, in addition, Regd. Not for Profit companies, registered societies/trusts/ co-op. and NGOs engaged in micro-finance activities also eligibile.
- LENDERS: Resident of FATF or IOSCO compliant country, including for transfer of ECBs.
- a) Multilateral and Regional Financial Institutions where India is a member country
- b) Individuals who are foreign equity holders or who subscribe to bonds/debentures listed abroad; and
- c) Foreign branches / subsidiaries of Indian banks are permitted only for FCy ECB (except FCCBs and FCEBs).

MAMP and COSTS

- **MAMP** will be 3 years. Manufacturing sector: 1 year for ECB up to USD 50 mio per financial year.
- If ECB is raised from foreign equity holder and utilised for working capital purposes, general corporate purposes or repayment of INR loans, MAMP is 5 years.
- Call and put option, shall not be exercisable prior to completion of MAMP. **COSTS:**
- All-in-cost ceiling per annum: Benchmark+450 bps
- Prepayment charge/ Penal interest, for default or breach of covenants, cannot be more than 2 % over and above the contracted rate on the outstanding and
- will be outside the all-in-cost ceiling.

Negative list and Exch. rate

- ECB proceeds cannot be utilised for the following: **Real estate activities, Investment in capital market, Equity investment.**
- **Working capital purposes, General corporate purposes and Repayment of Rupee loans -- (allowed, if borrowed from foreign equity holder)**
- **On-lending to entities for the above activities.**
- **Change of currency of FCy ECB into INR ECB @ exchange rate prevailing on the date of the agreement or lesser, with Lender's consent.**
- **For INR ECB, rate for conversion to Rupee, shall be the rate prevailing on the date of settlement.**

Change of Currency of ECB

- Change of currency of ECB from one freely convertible foreign currency to any other freely convertible foreign currency as well as to INR is freely permitted.
- For INR ECBs, Change of currency from INR to any freely convertible foreign currency is not permitted.

Hedging & Natural hedge

- ECB exposures to be hedged
- Infrastructure companies to mandatorily hedge 70%, if AMP is less than 5 years. AD will verify this and report to RBI thru form ECB
- Hedge to cover Principal and coupon and must be from the start of the liability.
- Hedge Minimum tenor of one year, can be rolled over
- A ECB is considered naturally hedged if the offsetting exposure has the maturity/cash flow within the same accounting year. Any other arrangements/ structures, where revenues are indexed to foreign currency will not be considered as natural hedge.

Limit and Leverage

- Borrowers can raise ECB up to USD 750 mio or equivalent per FY under automatic route
- ECB liability-equity ratio cannot exceed 7:1, in case of FCy denominated ECB from direct foreign equity holder. This ratio will not apply if outstanding amount of all ECBs, including proposed one, is up to USD 5 mio or equivalent
- Borrowers will also be governed by guidelines on debt equity ratio issued by the sectoral or prudential regulator concerned.

No Guarantees and Investments

- No Guarantees and Investments by Indian banks, All India FIs, or NBFCs to ECBs. They cannot also invest in FCCBs/ FCEBs.
- **Parking of ECB proceeds**
- proceeds meant only for Fcy expenditure can be parked **abroad** pending utilisation
- meant for Rupee expenditure should be repatriated immediately
- Can be invested for short term till needed in well rated instruments.

Loan Registration Number (LRN)

- Form ECB, which also contains terms and conditions of the ECB, in duplicate, to the AD bank to obtain LRN. AD bank will forward one copy to the Director, RBI, DSIM, ECB Division, BKC, Mumbai – 400 051. Though called automatic,
- Any draw-down, only after obtaining LRN
- **Changes in terms and conditions**
- Changes in ECB parameters including reduced repayment should be reported to DSIM through revised Form ECB within 7 days - changes should be specifically mentioned in this revised Form.

Monthly Reporting of transactions

- Borrowers are required to report actual ECB transactions in ECB 2 Return through AD to DSIM within 7 working days from close of month
- Changes, if any, in ECB parameters should also be incorporated in Form ECB 2 Return.
- Borrower can regularise the delay in reporting of drawdown of ECB proceeds before obtaining LRN or delay in submission of Form ECB 2 returns, by payment of late submission fees as per following matrix:

Late Submission Fee (LSF) for delay in reporting

Sl.No	Type of Return/Form	Period of delay	Applicable LSF
1	Form ECB 2	Up to 30 calendar days from due date of submission	INR 5,000
2	Form ECB 2/Form ECB	Up to three years from due date of submission/date of drawdown	INR 50,000 per year
3	Form ECB 2/Form ECB	Beyond three years from due date of submission/date of drawdown	INR 100,000 per year

LSF to be paid by DD favouring RBI through the AD bank. AD to submit the Relevant Returns signed by borrower along with the LSF. Without LRN, ECB and ECB2 returns delay/non-submission are separate contraventions. Non-payment of LSF would also amount to Contravention and attract penal provisions including Compounding.

Untraceable entity: AD’s Action

- Not responding to email/phone call/letters from AD for over 2 quarters and inspite of 6 or more reminders not coming forward to submit returns are called Untreaceable entities.
- In case of untraceable entities failing to report ECBs/returns for past eight quarters or more:
- a) File Revised Form ECB, if required, and last Form ECB 2 Return without certification from company with ‘UNTRACEABLE ENTITY’ written in bold on top.
- b) No fresh ECB application by the entity should be examined/processed by the AD bank;
- c) Directorate of Enforcement should be informed whenever any entity is designated ‘UNTRACEABLE ENTITY’; and
- d) No inward remittance or debt servicing will be permitted under auto route.

Refinancing of existing ECB

- provided the outstanding maturity of the original ECB is not reduced and all-in-cost of fresh ECB is lower than exixting ECB. Raising of fresh ECB to part refinance the existing ECB is also permitted subject to same conditions.
- Indian banks permitted to participate in refinancing of existing ECB, only for highly rated corporates (AAA)/Maharatna/Navratna
- **Conversion of ECB into equity:**
- **can be converted into equity on following conditions:**
- **i. Borrower is eligible for automatic route FDI or Government approval is received, for foreign equity participation as per extant FDI policy.**
- **ii. The conversion, with lender's consent and without any additional cost, should not result in contravention of eligibility, breach of applicable sectoral cap.**
- **iii. Applicable pricing guidelines for shares are complied with**

Converted Equity__Reporting

- a. "ECB partially converted to equity“ Report in Form FC-GPR prescribed, while monthly reporting to DSIM in Form ECB 2 Return will be with suitable remarks.
- b. “ECB fully converted to equity” entire portion in Form FC-GPR, while reporting to DSIM in Form ECB 2 Return should be done with remarks. Subsequent filing of Form ECB 2 Return is not required.
- c. For conversion in phases, reporting also will be in phases.
- Consent of other lenders/or they are informed.
- For conversion, the XR prevailing on the date of the agreement between parties concerned for such conversion or any lesser rate can be applied with a mutual agreement with the ECB lender.
- Fair value of the equity shares to be issued shall be worked out with reference to the date of conversion only.

Security for raising ECB

- Creation/cancellation of charge allowed: subject to AD bank satisfying that:
- i. ECB is in compliance with guidelines,
- ii. there exists a security clause
- iii. To obtain NoC, from existing lenders for charging.

iv. AD bank may permit creation of charge on immovable assets, movable assets, financial securities and issue of corporate and/or personal guarantees, during the currency of the ECB with security co-terminating with underlying ECB.

Charge on Immovable Assets

- a) Security shall be subject to provisions contained in the FEMA (Acquisition and Transfer of IP) Regulations, 2017
- b) Not be construed as a permission to acquire immovable property in India, by the overseas lender/ security trustee.
- c) On enforcement, immovable property to be sold only to a resident and the sale proceeds repatriated to pay outstanding ECB.
- **Moveable asset charge :** On enforcement, claim of the lender, will be restricted to the outstanding claim against the ECB. (whether the lender takes over the movable asset or otherwise).
- Encumbered movable assets may also be taken out of the country subject to getting 'No Objection Certificate' from domestic lender/s, if any.

Charge over Financial Securities

- a) Pledge of shares of the borrowing company/in the name of ECB borrower/promoter, is also permitted.
- b) security interest over all current and future loan asset, cash balances in bank, deposits etc.
- c) In case of invocation of pledge, transfer of financial securities shall be in accordance with the extant FDI/FII policy including provisions relating to sectoral cap and pricing as applicable read with the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017.
- **Issue of Corporate or Personal Guarantee**
- Copy of Board Resolution, specifying name of authorised official, Specific requests from individuals to issue personal guarantee indicating details of the ECB should be obtained.
- Attract FEMA (Guarantees) Regulations, 2000

ADs to comply with…

- While exercising the delegated powers, AD banks should ensure that:
- i. The changes permitted are in conformity with the applicable ceilings / guidelines and the ECB continues to be in compliance with applicable guidelines.
- If the ECB borrower has availed of credit facilities from the Indian banking system, including foreign branches/subsidiaries of Indian banks, any extension of tenure of ECB (whether matured or not) shall be subject to prudential guidelines issued by Department of Banking Regulation of Reserve Bank including guidelines on restructuring.
- ii. The changes in the terms and conditions of ECB allowed by the ADs under the powers delegated and / or changes approved by the RBI should be reported to the DSIM as required in Reporting regulations.
- Further, these changes should also get reflected in the Form ECB 2 returns appropriately.

ECB facility for Startups

- Startups to raise ECB under the automatic route:
- i. recognised as a Startup , Minimum average maturity period will be 3 years.
- Iii. Lender / investor shall be a resident of a FATF compliant country. However, foreign branches/subsidiaries of Indian banks and overseas entity in which Indian entity has made overseas direct investment as per the extant Overseas Direct Investment Policy will not be considered as recognised lenders under this framework.
- iv. The borrowing can be in form of loans or non-convertible, optionally convertible or partially convertible preference shares.
- v. Borrowing should be denominated in any freely convertible currency or in Indian Rupees (INR) or a combination thereof. In case of borrowing in INR, the NR lender, should mobilise INR through swaps/outright sale undertaken through an AD bank.
- vi.Borrowing per Startup will be limited to USD 3 million per FY either in INR or any convertible foreign currency or a combination of both.
- vii. All-in-cost: Shall be mutually agreed between the borrower and the lender.
- viii. End uses: For any expenditure in connection with the business of the borrower.
- ix.Conversion into equity is freely permitted as foreign investment in Startups.

Start-up: Security for ECB

- Choice of security is left to the borrowing entity.
- Security can be in the nature of movable, immovable, intangible assets (including patents, intellectual property rights), financial securities, and shall comply with FDI/FPI/other norms applicable for foreign lenders / entities holding such securities.
- Issuance of corporate or personal guarantee is allowed. Guarantee issued by a non-resident(s) is allowed only if such parties qualify as lender under ECB for Startups.
- Issuance of G'tees, SBLC, LOU, LOC by Indian banks, all India Financial Institutions and NBFCs is not permitted.

Start up ECB_Hedging for overseas lender

- xi. Overseas lender, in case of INR denominated ECB, will be eligible to hedge its INR exposure through permitted derivative products with AD banks. Lender can also access the domestic market through branches/ subsidiaries of Indian banks abroad or branches of foreign bank with Indian presence on a back to back basis.
- xii. In case of borrowing in INR, the foreign currency - INR conversion will be at the market rate as on the date of agreement.
- Startups to have appropriate risk management policy to manage potential risk arising out of ECBs in FCy, they are exposed to currency risk due to XR
- xiii. Other Provisions: Parking of ECB proceeds, reporting arrangements, powers delegated to AD banks, borrowing by entities under investigation, conversion of ECB into equity will be as in the ECB framework. ECB liability: Equity ratio will not be applicable.
- Start-ups eligible to receive FDI, can also raise ECBs under the general ECB route/framework.

Entities under Investigation

- All entities against which investigation / adjudication / appeal by the law enforcing agencies for violation of any of the provisions of the Regulations under FEMA pending, may raise ECBs as per the applicable norms, if they are otherwise eligible.
- The borrower shall inform about pendency of such investigation to AD bank/RBI.
- In such cases, the AD Bank/RBI will endorse a copy of the approval letter to invest. Agency.

Trade credits

- TC refer to the credits extended by the overseas supplier, bank, financial institution and other permitted recognised lenders for imports of capital/non-capital goods as per the FTP. Include suppliers' credit and buyers' credit from recognised lenders. TC for imports into India can be either Fcy or INR denominated.

1. Automatic route: Up to USD 50 mio per import
2. Up to USD 150 mio for oil/gas refining & mktng, airline /shipping cos.
3. Period of TC : Reckoned from the date of shipment, up to 3 years for import of capital goods. For non-capital goods, up to one year or the operating cycle whichever is less. For shipyards / shipbuilders, TC for import of non-capital goods can be up to three years.

Trade credits

4. Recognised lenders: a. For suppliers' credit: Supplier of goods located abroad.
b. For buyers' credit: Banks, financial institutions, foreign equity holder(s) located outside India and financial institutions in IFSCs located in India.

[Note: Participation of Indian banks and non-banking financial companies (operating from IFSCs) as lenders will be subject to the prudential guidelines issued by the concerned regulatory departments of the Reserve Bank. Further, foreign branches/subsidiaries of Indian banks are permitted as recognised lenders only for FCY TC.]

5. All-in-cost ceiling per annum Benchmark rate plus 250 bps spread.

6. Exchange rate Change of currency of FCY TC into INR TC can be at the exchange rate prevailing on the date of the agreement between the parties for such change or at an exchange rate, which is less. For conversion to Rupee, exchange rate shall be the rate prevailing on the date of settlement.

7. Hedging provision As per guidelines of the sectoral or prudential regulator. Borrowers to have a board approved risk management policy.

- For INR TC, overseas investors can hedge their exposure in Rupee through permitted derivative products with AD banks in India. They can also access the domestic market through branches / subsidiaries of Indian banks abroad or branches of foreign banks with Indian presence on a back to back basis.

8. Change of currency of TC from one freely convertible foreign currency to any other freely convertible foreign currency as well as to INR is freely permitted.

•Change of currency from INR to any freely convertible foreign currency is not permitted.

•Security for Trade Credit

Bank guarantees on behalf of the importer; G'tee cannot be beyond the maximum permissible period for TC. TC may also be secured by overseas guarantee issued by foreign banks/overseas branches of Indian banks.

Importer may also offer security of movable assets (including financial assets) / immovable assets/ corporate or personal guarantee for raising TC.

AD to ensure that there exists a security clause in the loan agreement requiring the importer to create charge, in favour of overseas lender / security trustee on immovable assets / movable assets / financial securities / issuance of corporate and / or personal guarantee;

Security for TC

- ii. No objection certificate, wherever necessary, from the existing lenders in India has been obtained.
- Iii. such arrangement is co-terminus with the TC;
- iv. On invocation, total payments towards guarantee should not exceed the dues towards TC; and
- v. Creation/ enforcement / invocation of charge shall be as per the provisions contained in FEMA (Acquisition and Transfer of Immovable Property in India) Regulations, 2018 and FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 and should also comply with applicable FDI/FII/SEZ policy/ rules/ guidelines.

Monthly Reporting TCs

- AD banks are required to furnish details of TCs - withdrawal, utilisation, and repayment of TC approved by all its branches, in a consolidated statement, during a month, in Form TC to the Director, DITF, DEPR, RBI, CO, Fort, Mumbai – 1 (and in MS-Excel file through email) so as to reach not later than 10th of the following month.
- Each TC to be given a unique identification number by the AD bank.
- Permissions granted by AD bank/R.O, RBI for settlement of delayed import dues in terms of paragraphs B.5 and C.2 of the Master direction on Import of Goods and Services dated January 1, 2016, should also be reported by AD bank

TC - Quarterly reporting

- *Note: Suppliers' credit beyond 180 days and up to one year/three years from the date of shipment for non-capital/capital goods respectively, should also be reported by AD bank.*
- AD bank is also required to furnish data on issuance of bank guarantees for TCs by all its branches, in a consolidated statement, at quarterly intervals on the XBRL platform.

Any Questions?

Thank you!

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