

# APPOINTMENT OF DESIGNATED AD BANK FOR AVAILING EXTERNAL COMMERCIAL BORROWING



Branch: \_\_\_\_\_

Date: | D | D | M | M | Y | Y | Y | Y |

With reference to above, we wish to appoint RBL Bank Limited as Designated AD Bank for availing ECB for \_\_\_\_\_ (CCY & Amount) under Automatic/Approval route (strike out whichever is not applicable). Terms and conditions of the ECB are as follows:

Sr. No.	Particulars	Details
1.	Name & address of the borrower	
2.	Line of activity of the borrower and NIC code	
3.	Name & address of the lender (If multiple lenders, please mention details along with amount and percentage)	
4.	Amount & Currency	
5.	End Use	
6.	Average Maturity	
7.	Interest + other component of AIC (All in cost)	
8.	Proposed Security (If any)	
9.	Reason for delay in submission of Form ECB, if applicable (Form ECB has to be submitted to the AD Bank within 7 days of signing the loan agreement)	

We also declare and undertake as follows

- We are engaged in the business of \_\_\_\_\_ and our National Industry Code as per 2008 Industry classification list is \_\_\_\_\_. Further, regulation pertaining to 'Eligible borrower', 'Recognized lender', 'Minimum Average Maturity of loan' and 'End use of loan proceeds' etc. in respect of the said ECB arranged by us is in strict compliance to Notification No. FEMA 3R/2018-RB dated December 17, 2018, as amended from time to time; and Master Direction - External Commercial Borrowings, Trade Credits and Structured Obligations (dated as on March 26, 2019 as amended from time to time)
- We, confirm and undertake that the proceeds of the External commercial Borrowings (ECB) will be used for \_\_\_\_\_ [Insert the end use] and which will be in accordance with the extant ECB Policy and applicable law from time to time. We further represent, warrant and confirm that the ECB proceeds shall not be utilized for any illegal and /or antisocial and or speculative activities.
- We are eligible to receive Foreign Direct Investment (FDI) basis our activity as per extant FDI policy announced by Govt. of India from time to time.
- We confirm that, all terms and conditions are to be complied as per extant FEMA guidelines till the settlement of ECB & further, adherence to all regulatory reporting including filing of monthly ECB-2 returns as prescribed will be strictly complied.
- We confirm that, in case of any changes in terms and conditions of the said ECB, including but not limited to, any change in lender, draw-down or repayment schedule, all in cost, average maturity period, amount, name of the borrower company or end-use of ECB proceeds, we will immediately submit revised Form-ECB along with supporting documents for due intimation to RBI. Further, we are aware that in case of any lapse in informing by us about the said changes may lead to contravention of FEMA guidelines and invite appropriate action under the extant FEMA regulations.
- We hereby declare that the said drawdown, repayment & interest under ECB does not involve, and is not designed for the purpose of any contravention or evasion of the provisions of the aforesaid Act or of any rule, regulation, notification, direction or order made there under. We also hereby agree and undertake to give such information/documents as will reasonably satisfy you about this transaction in terms of the above declaration.
- We confirm that lender is not from country identified in the public statement of the FATF and is from IOSCO compliant country.
- We are aware about the guidelines issued by RBI for payment of late submission fees for delay in submission of Form ECB and ECB-2 returns.
- We confirm that hedging of ECB, if applicable will be done as per guidelines mentioned by the concerned sectoral or prudential regulator in respect of foreign currency exposure.
- We would like to confirm that our company is not under investigation / adjudication / appeal by the law enforcing agencies for violation of any of the provisions of the Regulations under FEMA pending. [If yes, details need to be provided separately.]
- We also declare that the transaction does not have linkage with any Specially Designated Nationals and Blocked Persons (SDN)/countries listed under OFAC in any manner. If the transaction involves linkage with any Specially Designated Nationals and Blocked Persons (SDN)/countries listed under OFAC in any manner, I/we undertake not to hold RBL Bank Limited responsible for any of its action or inaction in respect of the OFAC-linked transactions.

**Declaration-Cum-Undertaking under FEMA 1999**

I/We hereby declare that the transactional details which are specifically declared in this request letter does not involve and is not premeditated for the purpose of any contravention or evasion of the provisions of the aforesaid Act or of any rules, regulation, notification, direction or order made thereunder. I /We also hereby agree and undertake to give such information/documents as will reasonably satisfy you about this transaction in terms of the above declaration. I/We also understand that if I/We refuse to comply with any such requirement or make only unsatisfactory compliance therewith, the bank shall refuse in writing to undertake the transaction and shall if it has reason to believe that any contravention/evasion is contemplated by me/ us and would report the matter to Reserve Bank of India. I/We further declare that the undersigned has/have the authority to give this declaration and undertaking on behalf of the company.

Thanking you.

Yours Sincerely,

Authorized Signatory

Name:

Designation:

Email ID:

Cell No:

## A. ECB Documents Checklist for loan borrowed from Direct Equity holder.

Sr. No.	Documents	Please Tick (If Applicable)
1.	Request letter as per Bank format	<input type="checkbox"/>
2.	FORM ECB duly signed by Authorised Signatory & Chartered Accountant/Chartered Secretary	<input type="checkbox"/>
3.	Loan agreement/ non-convertible debentures/ Bonds (between borrower and lender)	<input type="checkbox"/>
4.	Self-certified Average Maturity Calculation	<input type="checkbox"/>
5.	Proof of earlier FDI – FCGPR/ FCTRS approved letter or email by RBI/ AD bank	<input type="checkbox"/>
6.	ECB Liability – Equity ratio declaration (However, this ratio will not be applicable if the outstanding amount of all ECB, including the proposed one, is up to USD 5 million or its equivalent.)	<input type="checkbox"/>
	Note: Besides the paid-up capital, free reserves (including the share premium received in foreign currency) as per the latest audited balance sheet shall be reckoned for the purpose of calculating the 'equity' of the foreign equity holder in the term ECB liability-equity ratio. Where there are more than one foreign equity holder in the borrowing company, the portion of the share premium in foreign currency brought in by the lender(s) concerned shall only be considered for calculating the ECB liability-equity ratio for reckoning quantum of permissible ECB.	<input type="checkbox"/>
7.	Self-Certified Drawdown and Repayment schedule	<input type="checkbox"/>
8.	Certified Copy of the duly signed Board Resolution for availing the ECB	<input type="checkbox"/>
9.	Any other documents, if applicable <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>

## B. ECB Documents Checklist for loan borrowed from Indirect Equity holder.

Sr. No.	Documents	Please Tick (If Applicable)
1.	Request letter as per Bank format	<input type="checkbox"/>
2.	FORM ECB, duly signed by Authorised Signatory & Chartered Accountant/Chartered Secretary	<input type="checkbox"/>
3.	Loan agreement/ non-convertible debentures/ Bonds (between borrower and lender)	<input type="checkbox"/>
4.	Self-certified Average Maturity Calculation	<input type="checkbox"/>
5.	Proof of earlier FDI – FCGPR/ FCTRS approved letter or email by RBI/ AD bank evidencing indirect equity holder with minimum indirect equity holding of 51%, or group company with common overseas parent.  <i>"Group company" means two or more enterprises which, directly or indirectly, are in a position to (i) exercise twenty-six per cent, or more of voting rights in other enterprise; or (ii) appoint more than fifty per cent of members of Board of Directors in the other Enterprises.</i>	<input type="checkbox"/>
6.	ECB Liability – Equity ratio declaration (However, this ratio will not be applicable if the outstanding amount of all ECB, including the proposed one, is up to USD 5 million or its equivalent.)  Note: Refer Para 1.7 Master Direction - External Commercial Borrowings, Trade Credits and Structured Obligations (Updated as on December 22, 2023)	<input type="checkbox"/>
7.	Self-Certified Drawdown and Repayment schedule	<input type="checkbox"/>
8.	Certified Copy of the duly signed Board Resolution for availing the ECB	<input type="checkbox"/>
9.	Any other documents, if applicable <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>

**C. ECB Documents Checklist for loan borrowed from non-equity holder**

Sr. No.	Documents
1.	<input type="checkbox"/> Request letter (Proposal, End use declaration, also Includes background of the borrower)
2.	<input type="checkbox"/> FORM ECB Duly signed by Authorised Signatory & Chartered Accountant/Chartered Secretary
3.	<input type="checkbox"/> Loan agreement/ non-convertible debentures/ Bonds (between borrower and lender)
4.	<input type="checkbox"/> Self-Certified copy of Average Maturity Calculation
5.	<input type="checkbox"/> <i>Self-Certified copy Drawdown and Repayment schedule</i>
6.	<input type="checkbox"/> Certified Copy of the duly signed Board Resolution for availing the ECB
7.	Any other documents, if applicable <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>