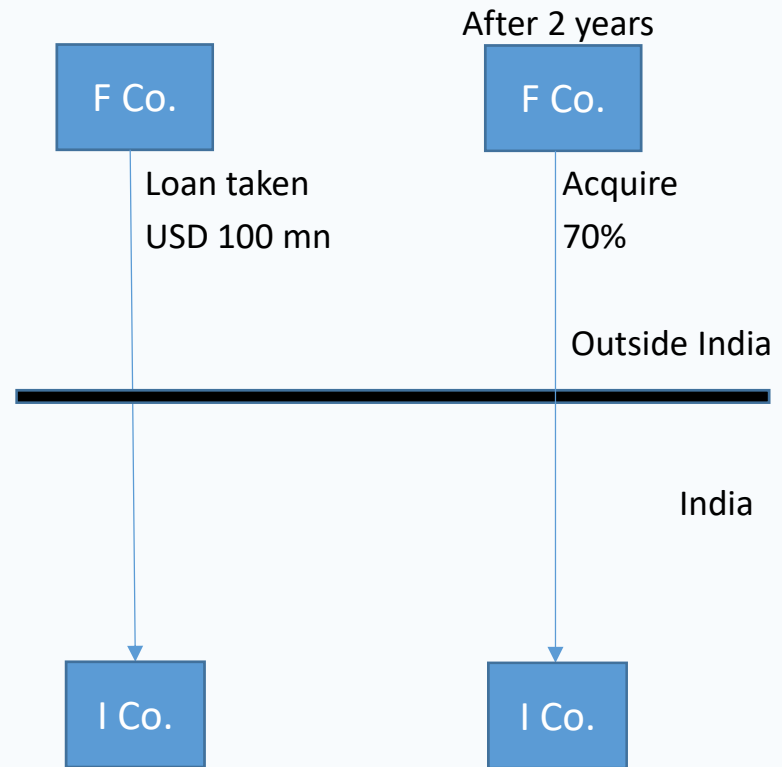


Case Study 1

- F Co. is an eligible lender and I Co. is an eligible borrower
- F Co. and I Co. are not related
- I Co. raises an ECB of USD 100 million for working capital purpose for MAMP of 10 years
- Post 2 years, F Co. acquires 70% holding in I Co. and has become foreign equity holder (Direct)

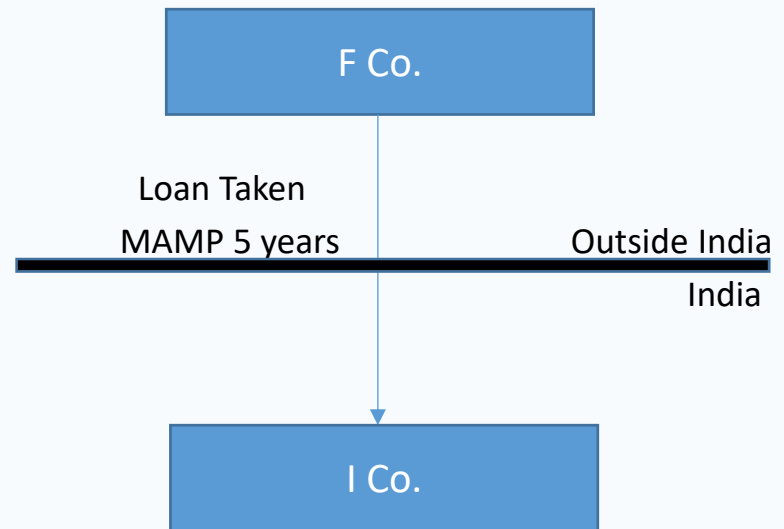
Whether the prescribed MAMP can be reduced to 5 years post acquisition?



Case Study 2

- F Co. is an eligible lender and I Co. is an eligible borrower
- Under the erstwhile FEMA regulations, I Co. raises an ECB of USD 100 million for MAMP of 5 years
- Under the new ECB framework, the MAMP for the above purpose is reduced from 5 years to 3 years

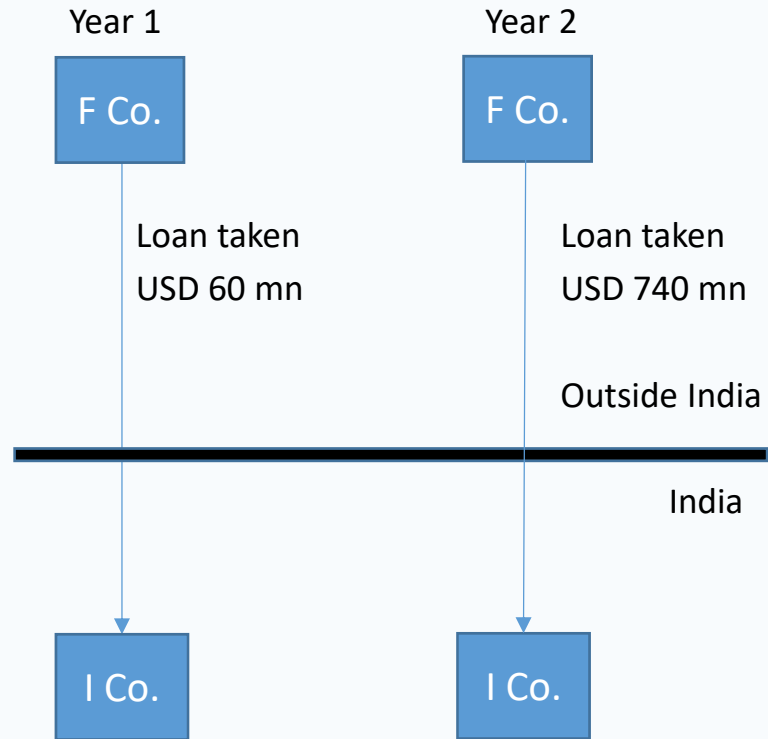
Whether reduced MAMP of 3 years should be applicable?



Case Study 3

- F Co. is an eligible lender and I Co. is an eligible borrower
- In Year 1, I Co. raised ECB of USD 60 million.
- In Year 2, I Co. raised ECB of USD 740 millions
- In Year 2, I Co. proposes to refinance its earlier ECB raised in Year 1 of USD 60 millions.

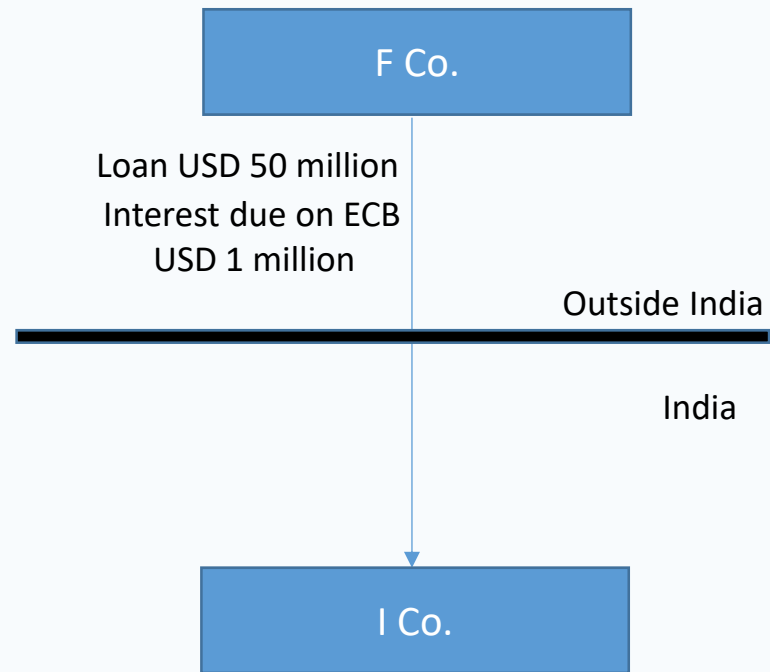
In computing the ECB limit for Year 2 of USD 750 million, whether ECB refinanced to be included or excluded?



Case Study 4

- F Co. is an eligible lender and I Co. is an eligible borrower
- F Co. wants to convert the loan along with interest into equity before MAMP of say 3 years.

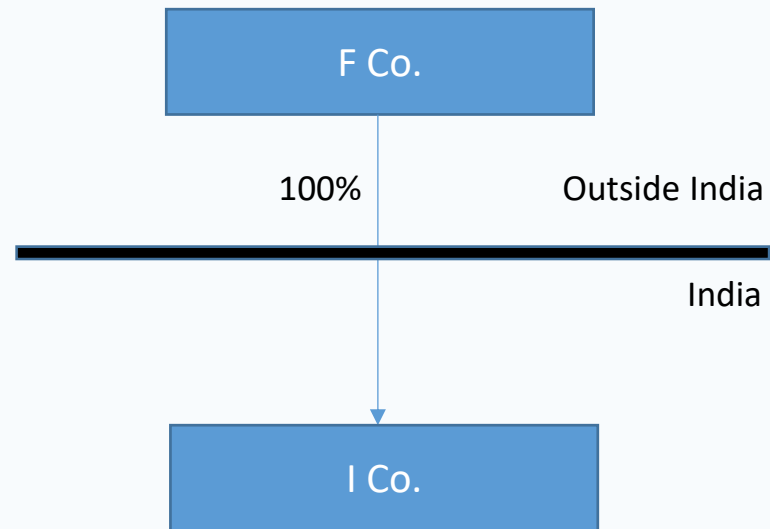
- a) Whether conversion into equity before MAMP is permissible?
- b) If I Co. wants to write off the interest amount, is it permissible?



Case Study 5

- F Co. is an eligible lender and I Co. is an eligible borrower
- I Co. intends to avail ECB from its holding F Co. for acquiring non agricultural land for purpose of using it as industrial land in new project.

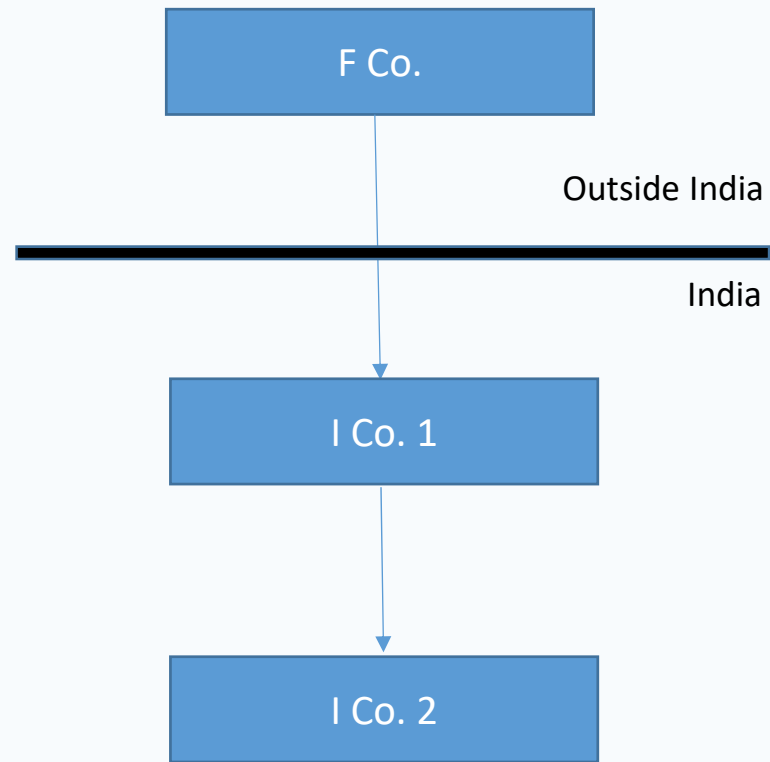
- a) Whether the above mentioned purpose is permissible
- b) Whether I Co. can use ECB proceeds for acquiring agricultural land subsequently converted into non agricultural land for the purpose mentioned above?



Case Study 6

- F Co. is an eligible lender and I Co. 1 is an eligible borrower
- I Co. 1 has availed ECB from its holding F Co.
- I Co. 1 intends to onward lend the said amount to its subsidiary I Co. 2 in India for repayment of its Rupee loan / for general corporate purposes / working capital.

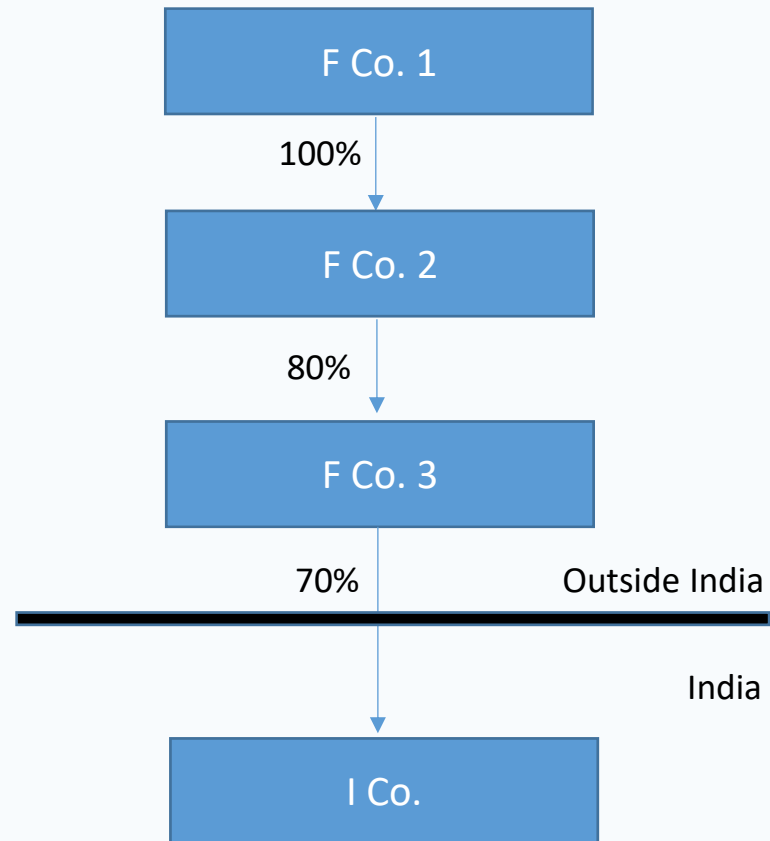
Can ECB raised by I Co. 1 from F Co. be used for further lending to I Co. 2 for the above mentioned purposes?



Case Study 7

- F Co. 3 is an eligible lender and I Co. is an eligible borrower
- F Co. 3 is the direct holding company of I Co. and F Co. 1 and F Co. 2 are indirect holding company of I Co.
- No guidance on calculation of Indirect equity

- a) How many levels to be considered / permissible?
- b) Whether ECB permissible from F Co. 1?
- c) Whether Indian subsidiary to be considered for indirect equity i.e. if F Co. 3 is an Indian Company whether I Co. can take ECB from F Co. 2 or F Co. 3?



Case Study 8

