

**RESERVE BANK OF INDIA
(FOREIGN EXCHANGE DEPARTMENT)
CENTRAL OFFICE
MUMBAI**

Notification No. FEMA .245/2012-RB

November 12, 2012

**Foreign Exchange Management
(Borrowing or Lending in Foreign Exchange)
(Second Amendment) Regulations, 2012**

In exercise of the powers conferred by clause (d) of sub-section (3) of Section 6, and sub section (2) of Section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999), the Reserve Bank of India hereby makes the following amendments in the Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) Regulations, 2000([Notification No.FEMA.3/2000-RB dated May 3, 2000](#)), namely:-

1. Short title and commencement :

- (a) These Regulations may be called the Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) (Second Amendment) Regulations, 2012.
- (b) They shall come into force from the date of their publication in the Official Gazette.

2. Amendment of the Regulations :

In the Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) Regulations, 2000 (Notification No.FEMA.3/2000-RB dated May 3, 2000) (hereinafter referred to as 'the principal regulations')

- (A) In Schedule I, after para (2), the following shall be added, namely:-

“(3) Foreign currency borrowings by successful bidders of 2G spectrum reauction

- (i) The successful bidders can avail of foreign currency borrowing in the nature of bridge finance for the purpose of making upfront payment towards spectrum allocation and refinance the same by making fresh borrowing in foreign exchange in accordance with the Act or the Rules and Regulations made thereunder in accordance with this Schedule, subject to satisfying the terms and conditions as may be specified by the Reserve Bank, from time to time in this regard.

- (ii) Provisions of sub-paragraph (v) of paragraph 1 shall not apply to the foreign currency borrowing in the nature of bridge finance made under para 3(i).
- (iii) The restriction of repayment of Rupee loans as specified in clause (B) in sub-paragraph (iv) of paragraph 1 shall not apply to the foreign currency borrowing availed of for refinancing domestic borrowings for making upfront payment towards spectrum allocation.
- (iv) Such foreign currency borrowings can also be availed of from the ultimate parent company subject to satisfying the terms and conditions as may be specified by the Reserve Bank, from time to time in this regard.”

(Rudra Narayan Kar)
Chief General Manager

Foot Note:

The Principal Regulations were published in the Official Gazette vide No. G.S.R. No.386 (E) dated May 5, 2000 in Part II, Section 3, sub-section (i) and subsequently amended vide:

- ii. No. G.S.R.674 (E) dated August 25,2000
- iii. No. G.S.R.476 (E) dated July 8,2002
- iv. No. G.S.R.854 (E) dated December 31,2002
- v. No. G.S.R.531 (E) dated July 9,2003
- vi. No. G.S.R.533 (E) dated July 9,2003
- vii. No. G.S.R.208 (E) dated March 23,2004
- viii. No. G.S.R.825 (E) dated December 22,2004
- ix. No. G.S.R.60 (E) dated February 9,2005
- x. No. G.S.R.739 (E) dated December 22,2005
- xi. No. G.S.R.663 (E) dated October 16,2007
- xii. No. G.S.R.61 (E) dated January 30,2009
- xiii. No. G.S.R.547(E) dated July 27, 2009
- xiv. No. G.S.R. 836(E) dated November 23, 2009
- xv. No. G.S.R.No.610 (E) dated August 03, 2012

<p>Published in the Official Gazette of Government of India – Extraordinary – Part-II, Section 3, Sub-Section (i) dated 17.11.2012- G.S.R.No.832 (E)</p>
