

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:56  
ANSWERED ON:17.02.2006  
EXTERNAL COMMERCIAL BORROWINGS  
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**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government has allowed multi state cooperative societies in manufacturing sector to raise External Commercial Borrowings (ECBs);
- (b) if so, the details thereof;and
- (c) the guidelines laid down for such borrowings by these cooperatives? regard?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. K. BANSAL)

(a) to (c): The Government of India has allowed Multi-State Cooperative Societies engaged in manufacturing activities to access the External Commercial Borrowings

(ECBs) under the Approval Route, the Cooperative Society

i. is financially solvent,

ii. submits its up-to-date audited balance sheet and

iii the proposal complies with all other parameters of of ECB guidelines such as recognized lender, permitted end use, average maturity period,all-in-cost ceiling etc. The circular issued by RBI in this regard is available at [www.rbi.org.in](http://www.rbi.org.in)