



Legal Briefing

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RBI Liberalised the Definition of Infrastructure Sector for the purpose of availing ECB.
September 23, 2013

Reserve Bank of India vide A.P. (DIR Series) Circular No. 48 dated 18 September 2013 (“**Circular**”) has expanded the scope of the existing definition of “Infrastructure Sector” for the purpose of availing external commercial borrowing (“**ECB**”) under the extant ECB guidelines.

The revised definition of “Infrastructure Sector” reads as follows:

“**Infrastructure Sector**” for the purpose of ECB includes:

- (a) Energy which will include (i) electricity generation, (ii) electricity transmission, (iii) electricity distribution, (iv) oil pipelines, (v) oil/gas/liquefied natural gas storage facility (includes strategic storage of crude oil) and (vi) gas pipelines (includes city gas distribution network);
- (b) Communication which will include (i) mobile telephony services / companies providing cellular services, (ii) fixed network telecommunication (includes optic fibre / cable networks which provide broadband / internet) and (iii) telecommunication towers;
- (c) Transport which will include (i) railways (railway track, tunnel, viaduct, bridges and includes supporting terminal infrastructure such as loading / unloading terminals, stations and buildings), (ii) roads and bridges, (iii) ports, (iv) inland waterways, (v) airport and (vi) urban public transport (except rolling stock in case of urban road transport);
- (d) Water and sanitation which will include (i) water supply pipelines, (ii) solid waste management, (iii) water treatment plants, (iv) sewage projects (sewage collection, treatment and disposal system), (v) irrigation (dams, channels, embankments, etc.) and (vi) storm water drainage system;
- (e) (i) mining, (ii) exploration and (iii) refining;
- (f) Social and commercial infrastructure which will include (i) hospitals (capital stock and includes medical colleges and para medical training institutes), (ii) Hotel Sector which will include hotels

with fixed capital investment of Rs. 200 crore and above, convention centres with fixed capital investment of Rs. 300 crore and above and three star or higher category classified hotels located outside cities with population of more than 1 million (fixed capital investment does not include land value), (iii) common infrastructure for industrial parks, SEZs, tourism facilities, (iv) fertilizer (capital investment), (v) postharvest storage infrastructure for agriculture and horticulture produce including cold storage, (vi) soil testing laboratories and (vii) cold chain (includes cold room facility for farm level pre-cooling, for preservation or storage of agriculture and allied produce, marine products and meat.

Earlier, the definition of the “Infrastructure Sector” was as follows:

“**Infrastructure Sector**” for the purpose of ECB includes (i) power, (ii) telecommunication, (iii) railways, (iv) road including bridges, (v) sea port and airport (vi) industrial parks (vii) urban infrastructure (water supply, sanitation and sewage projects), (viii) mining, exploration and refining, (ix) cold storage or cold room facility, including farm level pre-cooling, for preservation or storage of agricultural and allied produce, marine products and meat.

To view the Circular, please click [here](#).

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Trust the above is of assistance.

Kind regards,

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