

**Reserve Bank of India
Exchange Control Department
Central Office
Mumbai – 400 001**

Notification No. FEMA/ 106 /2003-RB

Dated the 27th October 2003

**Foreign Exchange Management (Transfer or issue of Security by a
Person Resident outside India)(Fourth Amendment) Regulations, 2003**

In exercise of the powers conferred by clause (b) of sub-section(3) of Section 6 and Section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999), and in partial modification of its Notification No: FEMA 20/2000-RB dated 3rd May 2000, the Reserve Bank of India makes the following Regulations to amend the Foreign Exchange Management (Transfer or issue of Security by a Person Resident outside India) Regulations, 2000, namely:-

Short title and Commencement

1. (i) These Regulations may be called the Foreign Exchange Management (Transfer or issue of Security by a Person Resident outside India) (Fourth Amendment) Regulations, 2003.
- (ii) They shall come into force from the date of their publication in the Official Gazette.

Amendment of the Regulations

2. In the Foreign Exchange Management (Transfer or issue of Security by a Person Resident outside India) Regulations, 2000, in Schedule 5,
 - (a) in paragraph 2, after sub-paragraph (2), the following sub-paragraph shall be added, namely:-

“(3) A Multilateral Development Bank which is specifically permitted by Government of India to float rupee bonds in India may purchase Government dated securities.”
 - (b) In paragraph 3, after sub-paragraph (3) the following sub-paragraph shall be added, namely :-

“(4) A Multilateral Development Bank which purchases Government dated securities under this Schedule, shall make payment either by inward remittance through normal banking channels or out of funds held in the account opened with the specific approval of RBI.”
 - (c) in paragraph 5, after clause (ii), the following clause shall be added, namely :-

“(iii) in the case of sale of Government dated securities by a Multilateral Development Bank, the net maturity proceeds (after payment of taxes) may be remitted abroad or credited to fund account opened with the prior permission of the Reserve Bank”.

**(Usha Thorat)
Executive Director**

<p>Published in the Official Gazette of Government of India - Extraordinary - Part-II, Section 3, Sub-Section (i) dated 22.11.2003 - G.S.R.No.899(E)</p>
