



**RESERVE BANK OF INDIA
FOREIGN EXCHANGE DEPARTMENT
CENTRAL OFFICE
MUMBAI - 400 001**

RBI/2004/43

A.P. (DIR Series) Circular No. 65

February 5, 2004

To

All Authorised Dealers in Foreign Exchange

Madam/Sirs,

**Foreign Exchange Management Act, 1999 –
Amendments to Foreign Exchange Management Regulations**

Attention of authorised dealers is invited to A.P.(DIR Series) circulars relating to :

- i) Risk Management and Indian Bank Dealings
- ii) Forward cover for Foreign Institutional Investors
- iii) Foreign Currency Loan in India to holders of FCNR (B) Deposits
- iv) Overseas Direct Investment – Liberalisation of Automatic Route
- v) Acquisition of immovable property outside India – Branches/Trading Offices overseas
- vi) Forward Contracts – Enlargement of scope of transactions

The relevant amendments to the Foreign Exchange Management Regulations, 2000 issued by Reserve Bank have been notified by the Government, in the Official Gazette, as indicated in the Annexure. (Copies of the Notifications are enclosed).

2. Authorised dealers may bring the contents of this circular to the notice of their constituents concerned.

3. The directions contained in this circular have been issued under section 10(4) and section 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999).

Yours faithfully,

(Grace Koshie)

Chief General Manager

Annexure[A.P.(DIR Series) Circular No.65
dated February 5, 2004]**Reserve Bank Notifications – Amendment to Foreign Exchange Management Regulations, 2000 issued under the Foreign Exchange Management Act, 1999**

Sr. No.	A.P. DIR (Series) Circular		FEMA Notification	
	No. and date	Subject	No./date/subject	G.S.R. No.
1.	2.	3.	4.	5.
1.	63/21.12.2002	Risk Management and Inter-Bank Dealings	Notification No.FEMA.70/2003-RB dated 26.8.2002 - Foreign Exchange Management (Foreign Exchange Derivative Contract) (Third Amendment) Regulations, 2002.	222 (E) dated 26.8.2002
2.	50/16.11.2002	Forward cover for Foreign Institutional Investors	Notification No.FEMA.81/ 2003-RB dated 8.1.2003 - Foreign Exchange Management (Foreign Exchange Derivative Contract) (Amendment) Regulations, 2003.	532(E) dated 8.1.2003
3.	24/25.9.2002	Foreign Currency Loan in India to holders of FCNR (B) Deposits	Notification No.FEMA.82/ 2003-RB dated 10.1.2003 - Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) (Second Amendment) Regulations, 2003.	533(E) dated 10.1.2003
4.	83/1.3.2003	Overseas Direct Investment – Liberalisation of Automatic Route	Notification No.FEMA.86/ 2003-RB dated 1.3.2003 – Foreign Exchange Management (Transfer or issue of any Foreign Security) (Amendment) Regulations, 2003.	629 (E) dated 1.3.2003
5.	<u>71/13.1.2003</u> <u>104/31.5.2003</u>	Acquisition of immovable property outside India – Branches/Trading Offices overseas	Notification No.FEMA.103/ 2003-RB dated 13.10.2003 - Foreign Exchange Management (Acquisition and Transfer of immovable property outside India) (Amendment) Regulations, 2003.	848(E) dated 13.10.2003
6.	98/29.4.2003	Booking Forward Contracts	Notification No.FEMA..104/ 2003-RB dated 21.10.2003 - Foreign Exchange Management (Foreign Exchange Derivative Contract) (Third Amendment) Regulations, 2003.	880(E) dated 21.10.2003