

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

Notification No. 276/2013-RB

Dated : May 08, 2013

Foreign Exchange Management (Guarantees) (Fourth Amendment) Regulations, 2013

In exercise of the powers conferred by clause (j) 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 (Guarantees) Regulations, 2000 ([Notification No. FEMA 8/2000-RB dated May 3, 2000](#)), namely:-

1. Short title and commencement

(a) These Regulations may be called the Foreign Exchange Management (Guarantees) (Fourth Amendment) Regulations, 2013.

(b) They shall come into force from the May 27, 2011.@

2. Amendment of Regulation 5

In Regulation 5 of the Foreign Exchange Management (Guarantees) Regulations, 2000 (Notification No. FEMA 8/2000-RB) dated May 3, 2000, for clause (b) the following shall be substituted and the same shall be deemed to have been substituted with effect from May 27, 2011.

"(b) (i) An Indian Party promoting or setting up outside India, a Joint Venture (JV) or a Wholly Owned Subsidiary (WOS), may give a guarantee to or on behalf of the latter in connection with its business:

Provided that the terms and conditions stipulated in Foreign Exchange Management (Transfer and Issue of Foreign Security) (Amendment) Regulations, 2004 for promoting or setting up such company or subsidiary are continued to be complied with;

Provided further that the guarantee under this clause may also be given by an authorized dealer in India;

(ii) An Indian Party promoting or setting up outside India, a Joint Venture (JV) or a Wholly Owned Subsidiary (WOS), may give a guarantee to or on behalf of the first generation step down operating company in connection with its business:

Provided that the terms and conditions stipulated in Foreign Exchange Management (Transfer and Issue of Foreign Security) (Amendment) Regulations, 2004 for promoting or setting up such company or subsidiary are continued to be complied with.

Explanation: 'Indian Party' shall have the same meaning as assigned to it in Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Amendment) Regulations, 2004."

(Rashmi Fauzdar)
Chief General Manager

Foot Note:

(i) @It is clarified that no person will be adversely affected as a result of retrospective effect being given to these regulations.

(ii) The Principal Regulations were published in the Official Gazette vide No. G.S.R. No.391 (E) dated May 5, 2000 in Part II, Section 3, Sub-Section (i) and subsequently amended vide:

- (a) G.S.R. No. 575 (E) dated 19-8-2002
- (b) G.S.R. No. 745 (E) dated 16-11-2004
- (c) G.S.R. No. 61 (E) dated 9-2-2005
- (d) G.S.R. No. 196 (E) dated 14-3-2007
- (e) G.S.R. No. 300 (E) dated 01-05-2009
- (f) G.S.R. No. 298 (E) dated 01-05-2009
- (g) G.S.R. No. 634 (E) dated 27-07-2010
- (h) G.S.R. No. ____ (E) dated _____
- (i) G.S.R. No. ____ (E) dated _____
- (j) G.S.R. No. ____ (E) dated _____

**Published in the Official Gazette of Government
of India – Extraordinary – Part-II, Section 3,
Sub-Section (i) dated 27.08.2013- G.S.R.No.574 (E)**