



RBI/2014-2015/344
A.P. (DIR Series) Circular No.48

December 09, 2014

To

All Category-I Authorised Dealer Banks

Madam / Sir,

Overseas Investments by Alternative Investment Funds (AIF)

Attention of the Authorised Dealer (AD - Category I) banks is invited to Regulation 26 of [Notification No. FEMA.120/RB-2004 dated July 7, 2004](#) [Foreign Exchange Management (Transfer or Issue of any Foreign Security) (Amendment) Regulations, 2004] (the Notification), as amended from time to time and the provisions under [A.P.\(DIR Series\) Circulars No. 49](#) and [50](#) dated April 30, 2007 and May 04, 2007 respectively.

2. On a review, it has been decided to permit an Indian Alternative Investment Fund (AIF), registered with Securities and Exchange Board of India (SEBI), to invest overseas in terms of the provisions issued under the A.P. (DIR Series) Circulars No. 49 and 50 dated April 30, 2007 and May 04, 2007 respectively.

3. Necessary amendments to the Notification *ibid* has been issued vide [Notification No. FEMA.326/RB-2014 dated November 12, 2014](#) (copy enclosed) and effective from the date of publication in the Gazette i.e. November 21, 2014.

4. AD - Category I banks may bring the contents of this circular to the notice of their constituents and customers concerned.



5. The directions contained in this circular have been issued under Sections 10(4) and 11(1) of the Foreign Exchange Management Act (FEMA), 1999 (42 of 1999) and are without prejudice to permissions/approvals, if any, required under any other law.

Yours faithfully,

(C D Srinivasan)
Chief General Manager