

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

Notification No. FEMA. 326/ RB-2014

November 12, 2014

**Foreign Exchange Management (Transfer or Issue of any
Foreign Security) (Fifth Amendment) Regulations, 2014**

In exercise of the powers conferred by clause (a) 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 hereby makes the following amendments in the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 ([Notification No. FEMA.120/RB-2004 dated July 7, 2004](#)), as amended from time to time, (hereinafter called the Principal Regulations or the Notification) namely:-

1. Short Title & Commencement

- (i) These Regulations shall be called the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Fifth Amendment) Regulations, 2014.
- (ii) They shall come into force from the date of publication in the Official Gazette.

2. Amendment to Regulation 2

In Regulation 2, after clause (b), the following new clause shall be inserted, namely:-

"(ba) 'Alternative Investment Fund' means a fund as defined under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;"

3. Amendment to Regulation 26

The existing Regulation 26 shall be substituted with the following, namely:

"26. Investment by Mutual Funds and other Funds

The purchase of foreign securities by Mutual Funds, Venture Capital Funds and Alternative Investment Funds shall be subject to these regulations, and such other terms and conditions as may be notified by the Reserve Bank and Securities and Exchange Board of India (SEBI) from time to time."

**(C D Srinivasan)
Chief General Manager**

Foot Note:

The Principal Regulations were published in the Official Gazette of GOI vide G.S.R. No 757 (E) dated November 19, 2004 – in Part II, Section 3, Sub-section (i) and subsequently amended vide:-

G.S.R. No. 220 (E) dated April 7, 2005,
G.S.R. No. 337 (E) dated May 27, 2005,
G.S.R. No. 552 (E) dated August 31, 2005,
G.S.R. No. 535 (E) dated September 6, 2006,
G.S.R. No.13 (E) dated January 5, 2008,
G.S.R. No. 209(E) dated March 25, 2008,
G.S.R. No.676 (E) dated September 24, 2008,
G.S.R. No.756 (E) dated October 31, 2008,
G.S.R. No.108 (E) dated February 20, 2009,
G.S.R. No. 301(E) dated May 1, 2009,
G.S.R. No. 441(E) dated June 23, 2009,
G.S.R. No. 609(E) dated August 28, 2009,
G.S.R. No. 607(E) dated August 3, 2012,
G.S.R. No. 609(E) dated August 3, 2012,
G.S.R. No. 947(E) dated December 31, 2012,
G.S.R. No. 345(E) dated May 29, 2013,
G.S.R. No. 516(E) dated July 30, 2013,
G.S.R. No. 529(E) dated August 05, 2013,
G.S.R. No. 552(E) dated August 14, 2013,
G.S.R. No. 323(E) dated May 07, 2014 and
G.S.R. No. 489(E) dated July 11, 2014.

**Published in the Official Gazette of Government
of India – Extraordinary – Part-II, Section 3,
Sub-Section (i) dated 21.11.2014- G.S.R.No.828(E)**