

**RESERVE BANK OF INDIA
FOREIGN EXCHANGE DEPARTMENT
CENTRAL OFFICE
MUMBAI**

Notification No.FEMA.267/ RB-2013

Dated March 05, 2013

**Foreign Exchange Management (Guarantees)
(Second 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 hereby makes the following amendments in the Foreign Exchange Management (Guarantees) Regulations, 2000, ([Notification No. FEMA 8/RB-2000 dated May 3, 2000](#)), namely:-

1. Short Title and Commencement:

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

(ii) They shall come into force from the date of publication in Official Gazette.

2. Amendment of Regulation - In the Foreign Exchange Management (Guarantees) Regulations, 2000 (Notification No. FEMA 8/RB-2000 dated May 3, 2000), in Regulation 4, in sub-regulation (2), after clause (ii), the following new clause shall be added, namely :-

"(iii)(a) An authorised dealer in India may give guarantee on behalf of a person resident outside India acquiring shares or convertible debentures of an Indian company through open offers/ delisting/ exit offers, provided

- i) the transaction is in compliance with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover)[SEBI(SAST)] Regulations;
- ii) the guarantee is covered by a counter guarantee of a bank of international repute; and

(b) the guarantee shall be valid for a tenure co-terminus with the offer period as required under the SEBI (SAST) Regulations."

**(Rudra Narayan Kar)
Chief General Manager-in-Charge**

Foot Note:

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 :

- (i) No. G.S.R.575 (E) dated 19-8-2002
- (ii) No. G.S.R.745 (E) dated 16-11-2004
- (iii) No. G.S.R.61 (E) dated 9-2-2005
- (iv) No. G.S.R.196 (E) dated 14-3-2007
- (v) No. G.S.R.300 (E) dated 01/05/2009
- (vi) No. G.S.R.298 (E) dated 01/05/2009
- (vii) No.G.S.R.634(E) dated 27.07.2010
- (viii) _____ dated _____
- (ix) No.G.S.R.917(E) dated 21.12.2012
- (x) _____ 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.573 (E)**