

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

Notification No.FEMA.80/2003-RB

January 8, 2003

**Foreign Exchange Management (Borrowing or Lending
in Foreign Exchange) (Amendment) Regulations, 2003**

In exercise of the powers conferred by clause (d) of sub-section (3) of Section 6 and sub-section (2) of Section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999) and in partial modification of its Notification No.FEMA.3/2000-RB, dated May 3, 2000, the Reserve Bank of India makes the following Regulations to amend the Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) Regulations, 2000, namely :

1. Short title and commencement:

- (i) These Regulations may be called the Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) (Amendment) Regulations, 2003.
- (ii) They shall come into force from the date of their publication in the Official Gazette.

2. Amendment of the Regulations:

In the Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) Regulations, 2000 in Regulation 5, after sub-Regulation (5), the following Sub-Regulation shall be inserted, namely:-

"(6) Indian companies in India may grant loans in foreign currency to the employees of their branches outside India for personal purposes provided that the loan shall be granted for personal purposes in accordance with the lender's Staff Welfare Scheme / Loan Rules and other terms and conditions as applicable to its staff resident in India and abroad."

**K.J. Udeshi
Executive Director**

<p>Published in the Official Gazette of Government of India - Extraordinary - Part-II, Section 3, Sub-Section (i) dated 09.07.2003 - G.S.R.No.531(E)</p>
