

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

Notification No.FEMA.117/2004-RB

May 25, 2004

**Foreign Exchange Management (Borrowing and Lending
in Rupees) (Second Amendment) Regulations, 2004**

In exercise of the powers conferred by clause (e) 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.4/2000-RB, dated May 3, 2000, the Reserve Bank of India makes the following Regulation to amend the Foreign Exchange Management (Borrowing and Lending in Rupees) Regulations, 2000, namely :

1. Short title and commencement

- (i) These regulations may be called the Foreign Exchange Management (Borrowing and Lending in Rupees) (Second Amendment) Regulations, 2004.
- (ii) They shall come into on the 25th day of May 2004.

2. Amendment of the Regulations

In the Foreign Exchange Management (Borrowing and Lending in Rupees) Regulations, 2000, in Regulation 8, in Sub-regulation (d), after the words "utilization of the loan", the following shall be added, namely :

"or by any relative of the borrower in India by crediting the borrower's loan account through the bank account of such relative.

Explanation : The word ' relative' means 'relative' as defined in Section 6 of the Companies Act, 1956".

**Shyamala Gopinath
Executive Director**

Foot Note : The Principal Regulations were published in the Official Gazette vide G.S.R.No.387(E) dated May 5, 2000 in Part II, Section 3, Sub-section (i) and subsequently amended vide G.S.R.No.90 dated February 12, 2001 and 754(E) dated November 11, 2002 and 351(E) dated June 8, 2004.

<p>Published in the Official Gazette of Government of India - Extraordinary - Part-II, Section 3, Sub-Section (i) dated 16.07.2004 - G.S.R.No.453(E)</p>
