

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

Notification No.FEMA.129/2005-RB

Dated January 20, 2005

**Foreign Exchange Management (Guarantees) (Amendment)
Regulations, 2005**

In exercise of the powers conferred by clause (j) of sub-section (3) of Section 6, 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. 8 / 2000-RB dated 3rd May, 2000, as amended from time to time, the Reserve Bank makes the following amendments in the Foreign Exchange Management (Guarantees) Regulations, 2000, namely :-

1. Short title and Commencement:

(i) These Regulations may be called the Foreign Exchange Management (Guarantees) (Amendment) Regulations, 2005.

(ii) They shall be deemed to have come into force from November 1, 2004. @

2. Amendment of Regulations:

In the Foreign Exchange Management (Guarantees) Regulations, 2000 after sub-regulation (1) of Regulation 4, the following sub-regulation may be inserted, namely :-

(1A) "An Authorised Dealer may give guarantee, Letter of Undertaking or Letter of Comfort in respect of any debt, obligation or other liability incurred by a person resident in India and owed to a person resident outside India (being an overseas supplier of goods, bank or a financial institution), for import of goods, as permitted under the Foreign Trade Policy announced by the Government of India from time to time and subject to such terms and conditions as may be specified by Reserve Bank from time to time."

F.R. JOSEPH
(Chief General Manager)

Foot Note: @ (i) This has been mentioned as the date on which the decision/s covered by the Regulation/s became effective on the issue of A.P.(DIR Series) Circular No.24 dated November 1, 2004.

(ii) The Principal Regulations were published in the Official Gazette *vide* No.G.S.R.391(E) dated May 5, 2000 in part II, Section 3, Sub-section (i) and subsequently amended *vide* No.G.S.R.575(E) dated August 19, 2002 and No.G.S.R.745(E) dated November 16, 2004

<p>Published in the Official Gazette of Government of India - Extraordinary - Part-II, Section 3, Sub-Section (i) dated 09.02.2005 - G.S.R.No.61(E)</p>
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