

**Reserve Bank of India  
Foreign Exchange Department  
Central Office  
Mumbai- 400 001**

**Foreign Exchange Management (Transfer or Issue of Security by A Person Resident Outside India) (Third Amendment) Regulations, 2007**

NOTIFICATION

Mumbai, the 13th November, 2007

Notification No. FEMA 170 /2007-RB Dated 13th November, 2007

In exercise of the powers conferred by clause (b) of sub-section (3) of Section 6 and Section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999) the Reserve Bank of India hereby makes the following amendments in the Foreign Exchange Management (Transfer or Issue of Security by A Person Resident Outside India) Regulations, 2000 (Notification No. FEMA 20/2000-RB dated 3<sup>rd</sup> May 2000) namely:-

**1. Short Title & Commencement:-**

(i) These Regulations may be called the Foreign Exchange Management (Transfer or Issue of Security by A Person Resident Outside India) (Third Amendment) Regulations, 2007.

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

**2. Amendment of the Regulations:-**

In the Foreign Exchange Management (Transfer or Issue of Security by A Person Resident Outside India) Regulations, 2000 (Notification No. FEMA 20/2000-RB dated 3<sup>rd</sup> May 2000), in Schedule 1, in paragraph 8, after Explanation, the following provisos shall be inserted, namely:

"Provided that if the shares or convertible debentures are not issued within 180 days from the date of receipt of the inward remittance or date of debit to NRE / FCNR (B) account, the amount of consideration so received shall be refunded to the person concerned by outward remittance through normal banking channels or by credit to his NRE / FCNR(B) account, as the case may be;

Provided further that the Reserve Bank may, on an application made to it and for sufficient reasons permit an Indian company to refund the amount of consideration received towards issue of security, if such amount is outstanding beyond a period of 180 days from the date of receipt.

**(Salim Gangadharan)**  
Chief General Manager

- (i) **Foot Note:** The Principal Regulations were published in the Official Gazette vide G.S.R.No. 406 (E) dated May 8, 2000 in Part II, Section 3, sub-section (i) and subsequently amended as under :

G.S.R.No. 158(E) dated 02.03.2001

G.S.R.No. 175(E) dated 13.03.2001

G.S.R.No. 182(E) dated 14.03.2001

G.S.R.No. 4(E) dated 02.01.2002

G.S.R.No. 574(E) dated 19.08.2002

G.S.R.No. 223(E) dated 18.03.2003

G.S.R.No. 225(E) dated 18.03.2003

G.S.R.No. 558(E) dated 22.07.2003

G.S.R.No. 835(E) dated 23.10.2003

G.S.R.No. 899(E) dated 22.11.2003

G.S.R.No. 12(E) dated 07.01.2004

G.S.R.No. 278(E) dated 23.04.2004

G.S.R.No. 454(E) dated 16.07.2004

G.S.R.No. 625(E) dated 21.09.2004

G.S.R.No. 799(E) dated 08.12.2004

G.S.R.No. 201(E) dated 01.04.2005

G.S.R.No. 202(E) dated 01.04.2005

G.S.R.No. 504(E) dated 25.07.2005

G.S.R.No. 505(E) dated 25.07.2005

G.S.R.No. 513(E) dated 29.07.2005

G.S.R.No. 738(E) dated 22.12.2005

G.S.R.No. 29(E) dated 19.01.2006

G.S.R.No. 413(E) dated 11.07.2006

**G.S.R.No. 737(E) dated 29.11.2007**