

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

Notification No.FEMA. 175/2008-RB

Dated February 22, 2008

Foreign Exchange Management (Transfer or Issue of Security by A Person Resident Outside India) (Amendment) Regulations, 2008

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 3rd 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) (Amendment) Regulations, 2008.

(ii) These shall be deemed to have come into force from December 31, 2007.@

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 3rd May 2000), in Schedule 2, in paragraph 1, after sub-paragraph (5), the following new paragraph shall be inserted, namely:

"(6) A registered FII may, undertake short selling as well as lending and borrowing of securities subject to such conditions as may be stipulated by the Reserve Bank of India and the SEBI from time to time."

(Salim Gangadharan)
Chief General Manager

Foot Note:

- i. @ It is clarified that no person will be adversely affected as a result of retrospective effect being given to these Regulations.
- ii. 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. 712(E) dated 14.11.2007

G.S.R.No. 713(E) dated 14.11.2007

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

Published in the Official Gazette of Government of India – Extraordinary – Part-II, Section 3, Sub-Section (i) dated 5.8.2008 - G.S.R.No.575 (E)