

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

Notification No. FEMA.184 / 2009-RB

Dated January 20, 2009

**Foreign Exchange Management (Transfer or Issue of Any
Foreign Security) (Amendment) Regulations, 2009**

In exercise of the powers conferred by clause (a) of sub-section (3) of Section 6 and sub-section (2) of 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 Any Foreign Security) Regulations, 2004 ([Notification No. FEMA.120/2004-RB](#) dated July 7, 2004) namely:-

1. Short Title & Commencement:-

- (i) These Regulations shall be called the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Second Amendment) Regulations, 2009.
- (ii) These Regulations shall be deemed to have come into effect from 19th day of July 2007.

2. Insertion of new regulation 27 :-

In the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 ([Notification No. FEMA.120/2004-RB](#) dated July 7, 2004, after regulation 26, the following regulation shall be inserted, namely:-

" 27: Opening of Demat Accounts by Clearing Corporations of Stock Exchanges and Clearing Members

A Person resident in India being a Securities and Exchange Board of India approved clearing corporation of stock exchanges and their clearing members may, subject to the guidelines issued by the SEBI from time to time;

- i) open and maintain demat accounts with foreign depositories and acquire, hold, pledge and transfer the foreign sovereign securities, offered as collateral by FIIs;
- ii) remit the proceeds arising from corporate action, if any, on such foreign sovereign securities; and
- iii) liquidate such foreign sovereign securities and repatriate the proceeds thereof to India."

(Salim Gangadharan)

Chief General Manager-in-Charge

(i) Foot Note:

The Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 were published in the Official Gazette vide G.S.R.No.757 (E) dated November 19, 2004 and subsequently amended vide
G.S.R. No. 220(E) dated April 7, 2005
G.S.R. No. 337(E) dated May 27, 2005
G.S.R. No. 552(E) dated August 31, 2005
G.S.R. No. 535(E) dated September 6, 2006
G.S.R. No. 13(E) dated January 5, 2008
G.S.R. No. 209(E) dated March 3, 2008

- ii) It is clarified that no person will be adversely affected as a result of retrospective effect being given to these Regulations.

Published in the Official Gazette of Government of India – Extraordinary – Part-II, Section 3, Sub-Section (i) dated 20.02.2009 - G.S.R.No. 108 (E)

