



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

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RBI seeks Feedback on Draft Framework for approving Indian Parties investing in Overseas Startups through Overseas Technology Fund

The Reserve Bank of India (RBI) has today placed on its website for comments/feedback, the proposed [draft framework](#) for according approval to Indian parties investing in overseas startups through an overseas technology fund under the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004, as amended from time to time. Comments/ feedback on the draft framework may be [e-mailed](#) on or before October 12, 2016.

Background

The Reserve Bank has been receiving references from various Indian parties to invest in overseas technology funds which in turn will further invest in overseas technology startups. Such proposals generally do not meet the eligibility norms for making the overseas direct investment under the automatic route in terms of Regulation 6 or 7 of [Notification No. FEMA 120 dated July 07, 2004](#), as amended from time to time. It is proposed that the Reserve Bank will deal with such requests under the approval route in terms of Regulation 9 of the same Notification, which enables an Indian party to seek prior approval if they do not satisfy the eligibility norms for automatic route.

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