

RESERVE BANK OF INDIA
(Financial Markets Regulation Department)
(CENTRAL OFFICE)
NOTIFICATION
Mumbai, the 2nd August, 2024

Foreign Exchange Management (Debt Instruments) (Third Amendment)
Regulations, 2024

No. FEMA.396(3)/2024-RB. — In exercise of the powers conferred by clause (a) of sub-section (2) 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 amendment to the Foreign Exchange Management (Debt Instruments) Regulations, 2019 ([Notification No. FEMA.396/2019-RB dated October 17, 2019](#)) (hereinafter referred to as 'the Principal Regulation'), namely:-

1. Short title and commencement

- (i) These Regulations shall be called the Foreign Exchange Management (Debt Instruments) (Third Amendment) Regulations, 2024.
- (ii) They shall come into force with effect from the date of their publication in the [Official Gazette](#).

2. Amendment to Schedule 1 to the Principal Regulation

- (i) In paragraph 1 of Schedule 1 to the Principal Regulation, after sub-paragraph 'E', the following new sub-paragraph shall be inserted:-

“F. Permission to persons resident outside India for purchase of Sovereign Green Bonds in the International Financial Services Centre (IFSC) in India

(1) “Persons resident outside India that maintain a securities account with a depository in IFSC in India may purchase or sell Sovereign Green Bonds issued by the Government of India, as per terms and conditions specified by the Reserve Bank.”

- (ii) In paragraph 2 of Schedule 1 to the Principal Regulation, after clause (4A) the following new clause shall be inserted:-

“(4B) The amount of consideration for purchase of Sovereign Green Bonds issued by the Government of India by persons resident outside India in terms of sub-paragraph (F) of paragraph 1 of this Schedule shall be paid out of inward

remittance from abroad through banking channels or out of funds held in a foreign currency account maintained in accordance with the regulations issued by the Reserve Bank and/or the International Financial Services Centre Authority.”

(iii) In paragraph 4 of Schedule 1 to the Principal Regulation, after clause (2A) the following new clause shall be inserted:-

“(2B) The sale/ maturity proceeds (net of taxes, as applicable) of instruments held by persons resident outside India in terms of sub-paragraph (F) of paragraph 1 of this Schedule may be remitted outside India.”

(Dimple Bhandia)
Chief General Manager

Foot Note:- The Principal Regulation was published in the Official Gazette vide [G.S.R.No.796\(E\) dated October 17, 2019 in Part II, Section 3, Sub-section \(i\)](#), and amended vide:

1. [Notification no. FEMA 396\(1\)/2021-RB \[Foreign Exchange Management \(Debt Instruments\) \(First Amendment\) Regulations, 2021\] dated October 13, 2021](#) published in the Gazette of India [Extraordinary, Part III–Section 4], vide Gazette ID CG-MH-E-21102021-230591 dated 21.10.2021.
2. [Notification no. FEMA 396\(2\)/2023-RB \[Foreign Exchange Management \(Debt Instruments\) \(Second Amendment\) Regulations, 2023\] dated October 16, 2023](#) published in the Gazette of India [Extraordinary, Part III–Section 4], vide Gazette ID CG-DL-E-21102023-249619 dated 20.10.2023.

Published in the Gazette of India [Extraordinary, Part III–Section 4], vide Gazette ID CG-MH-E-10082024-256254 dated 07.08.2024.
