

Date: October 03, 2025

C2R/2025-26/27

Foreign Exchange Management (Establishment in India of a branch or office) Regulations, 2025 - Draft for feedback

As announced in the [Statement on Developmental and Regulatory Policies dated October 01, 2025](#), the Reserve Bank had issued the Foreign Exchange Management (Establishment in India of a Branch Office or a Liaison Office or a Project Office or any other place of business) Regulations, 2016, vide [Notification No. FEMA 22\(R\)/2016-RB, dated March 31, 2016.](#)

2. On a review, it has been decided to amend the extant regulations along the following lines:

- i. The eligibility criteria for establishment of a place of business in India, are proposed to be relaxed.
- ii. The draft proposals offer greater operational freedom by shifting from prescriptive to a principle-based framework, which is expected to result in greater operational freedom.
- iii. The process for closure of non-compliant and inactive branch/office, are proposed to be simplified.

3. Comments/feedback on the [draft regulations](#) may be submitted through the link given below. Alternatively, it may also be forwarded via email to reviewoffema22feedback@rbi.org.in by **October 24, 2025**, with the subject line "Feedback on draft regulations on Branch or office".

[Draft Regulations](#)