

**RESERVE BANK OF INDIA
EXCHANGE CONTROL DEPARTMENT
CENTRAL OFFICE
MUMBAI-400 001**

Notification No.FEMA.82/2003-RB

Dated the January 10, 2003

**Foreign Exchange Management
(Borrowing or Lending in Foreign Exchange)
(Second Amendment) Regulations, 2003**

In exercise of the powers conferred by clause (d) of sub-section (3) of Section 6, sub-section (2) of Section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999) and in partial modification of its Notification No.FEMA 3/2000 RB dated May 3, 2000, the Reserve Bank of India makes the following amendments in the Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) Regulations, 2000, as amended from time to time, namely:

1. Short title and commencement:

- (i) These Regulations may be called the Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) (Second Amendment) Regulations, 2003.
- (ii) They shall come into force on their publication in the Official Gazette.

2. Amendment of the Regulations:

In the Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) Regulations, 2000, in Regulation 4, in sub-regulation (1) after clause (vi), the following clause shall be added, namely:-

"(vii) An authorized dealer may grant foreign currency loans in India against the security of funds held in FCNR (B) account to the account holder only, subject to the guidelines issued by the Reserve Bank in this regard".

(K.J. Udeshi)
Executive Director

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