



Foreign Exchange Bulletin

July 2024



INDEX

| | |
|---|---|
| 1. Amendment in Overseas Investment Directions | 1 |
| 2. Opening of additional Special Current Account for import transactions in INR | 1 |

1. Amendment in Overseas Investment Directions

Earlier, the definition of Overseas Portfolio Investment included investment in only units of any investment fund overseas. Now such definition has been amended to include investments in any other instruments (by whatever name called) issued by an investment fund overseas and is not just restricted to units.

Additionally, investment is now also permitted in investment fund overseas where instead of the fund, the fund manager is regulated by the financial service regulator of the host country.

2. Opening of additional Special Current Account for import transactions in INR

Earlier, Reserve Bank of India had permitted AD Category-I banks maintaining a Special Rupee Vostro Account on International Trade Settlement in INR to open an additional special current account for their constituents exclusively for settlement of export transactions.

In order to provide operational flexibility, the facility of opening an additional special current account can be extended for settlement of their import transactions as well.

The content provided in this bulletin is for information purpose only and is intended, but not promised or guaranteed, to be correct, complete and up to date. The firm hereby disclaims any and all liability to any person for any loss or damage caused by errors or omissions, whether such errors or omissions result from negligence, accident or any other cause.

By:

Cignas from N A Shah Advisors

Address: B 41-45, Paragon Centre, P B Marg, Worli, Mumbai 400013
 Tel: +91 22 4156 9000, Email: info@nashahadvisors.com