



Foreign Exchange Bulletin June 2024

Regularization of prior issuance of partly paid units by AIFs to non-residents

Earlier, RBI permitted issuance of partly paid units to non-residents by investment vehicles.

For any issuance of partly paid-up units prior to the said amendment, the RBI has permitted regularization of such issuances through compounding under the Foreign Exchange Management Act, 1999.

Before seeking compounding, AD Banks shall ensure completion of necessary administrative actions, including reporting such of issuances by Alternate Investment Fund (**AIFs**) to the RBI through the Foreign Investment Reporting and Management System (FIRMS) Portal and issuing conditional acknowledgments for such reporting.

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