



भारतीय प्रतिभूति और विनियम बोर्ड Securities and Exchange Board of India

CIRCULAR

IMD/FPI&C/CIR/P/2020/07

January 16, 2020

To,

1. All Foreign Portfolio Investors ("FPIs") through their Designated Depository Participants ("DDPs")/ Custodian of Securities.
2. Designated Depository Participants ("DDPs")/ Custodian of Securities.
3. All Recognized Stock Exchanges/ Clearing Corporations
4. All recognized Stock Exchanges and Clearing Corporations in International Financial Services Centres
5. The Depositories (NSDL and CDSL)
6. Stock Brokers through Recognized Stock Exchanges
7. Depository Participants through Depositories
8. KYC Registrations Agencies (KRAs)

Dear Sir / Madam,

Subject: Exemption from clubbing of investment limit for foreign Government agencies and its related entities

1. SEBI vide notification dated 19 December 2019 amended the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 and omitted the following regulation:

“Regulation 20 (9)

In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.”

2. In line with rule 1(a)(iv) of Schedule II of Foreign Exchange Management (Non-debt Instruments) Rules, 2019 regarding “Investments by Foreign Portfolio Investors”, certain foreign Government agencies and its related entities are exempt from clubbing of investment limit requirements and other investment conditions either by way of an agreement or treaty with other sovereign governments or by an order of the Central Government.



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3. In view of the above, clause 1(x) of Part C of Operational guidelines for FPIs & DDPs and EFIs regarding "Monitoring of investment limit at investor group level" has been amended accordingly. The amended operational guidelines are annexed herewith.
4. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992.
5. A copy of this circular is available at the web page "Circulars" on our website www.sebi.gov.in. Custodians are requested to bring the contents of this circular to the notice of their FPI clients.

Yours faithfully,

ACHAL SINGH
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Enclosed: [Operational guidelines for FPIs & DDPs and EFIs](#)