



भारतीय प्रतिभूति और विनिमय बोर्ड  
Securities and Exchange Board of India

Circular

SEBI/HO/IMD/DF1/CIR/P/2018/103/2018

July 3, 2018

**All Alternative Investment Funds,  
All Venture Capital Funds (registered under erstwhile SEBI (Venture Capital Funds)  
Regulations, 1996)**

Dear Sir / Madam,

**Subject : Overseas Investment by Alternative Investment Funds (AIFs) / Venture Capital Funds (VCFs).**

1. SEBI (Alternative Investment Funds) Regulations, 2012 (“AIF Regulations”) were notified on May 21, 2012 repealing and replacing the erstwhile SEBI (Venture Capital Funds) Regulations, 1996. Further, SEBI vide circular no. CIR/IMD/DF/7/2015 dated October 01, 2015 had allowed overseas investment by AIFs and VCFs to the extent of USD 500 million.
2. In consultation with Reserve Bank of India, it is now decided to enhance the said limit to USD 750 million.
3. In order to monitor the utilization of overseas investment limits, it is decided that AIFs/ VCFs shall mandatorily disclose the following:
  - i. AIFs/ VCFs shall report the utilization of the overseas limits within 5 working days of such utilization on SEBI intermediary portal at <https://siportal.sebi.gov.in>.
  - ii. AIFs/ VCFs shall also report the following through SEBI intermediary portal:
    - a. In case an AIF / VCF has not utilized the overseas limit granted to them within a period of 6 months from the date of SEBI approval (hereinafter referred to as ‘validity period’), the same shall be reported within 2 working days after expiry of the validity period;
    - b. In case an AIF / VCF has not utilized a part of the overseas limit within the validity period, the same shall be reported within 2 working days after expiry of the validity period;



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- c. In case an AIF/ VCF wishes to surrender the overseas limit at any point of time within the validity period, the same shall be reported within 2 working days from the date of decision to surrender the limit.
4. All other requirements, terms and conditions, as specified vide SEBI circulars no. SEBI/VCF/Cir no. 1/ 98645 /2007 dated August 9, 2007 and CIR/IMD/DF/7/2015 dated October 01, 2015, shall remain unchanged.
5. This Circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities market and to promote the development of, and to regulate the securities market. The provisions of this circular shall be applicable from July 2, 2018.
6. This Circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the categories "Legal Framework - Circulars" and "Info for - Alternative Investment Funds".

Yours faithfully,

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