

RBI has issued Draft Guarantee Regulations under Foreign Exchange Management Act (FEMA), 1999 for feedback from public upto 4th September 2025.

The new Foreign Exchange Management (Guarantees) Regulations, 2025 once notified will replace current FEMA 8 Guarantee Regulations, 2000. It aims to rationalise the guarantee regulations under FEMA, 1999 so as to promote ease of doing business. Some of the salient features of the proposed regulations are as under:-

- a. The regulations are principle based and in general guarantees involving cross border transactions will be under automatic route provided that underlying transaction, and the transactions resulting from invocation of guarantee are not in contravention of FEMA, 1999;
- b. The universe of guarantees enabled under automatic route is being expanded, and therefore a comprehensive reporting of all guarantees, issued and invoked, is proposed to be introduced.

RBI has invited comments/feedback on the draft regulations through the respective link under the '[Connect 2 Regulate](#)' Section available on the RBI's website or may be forwarded via [email](#) by September 04, 2025, with the subject line "Feedback on draft guarantee regulations under FEMA, 1999".

The link to the entire draft regulations is here

https://www.rbi.org.in/Scripts/bs_viewcontent.aspx?Id=4703.