



CIRCULAR

SEBI/HO/AFD/PoD/CIR/P/2023/137

August 04, 2023

To

All Alternative Investment Funds

All Venture Capital Funds [registered under erstwhile SEBI (Venture Capital Funds) Regulations, 1996]

Sir/ Madam,

Sub: Validity period of approval granted by SEBI to Alternative Investment Funds (AIFs) and Venture Capital Funds (VCFs) for overseas investment

1. In terms of SEBI Circular No. SEBI/VCF/Cir no. 1/98645/2007 dated August 09, 2007, and SEBI Master Circular No. SEBI/HO/AFD/PoD1/P/CIR/2023/130 dated July 31, 2023, VCFs and AIFs, respectively, have a time limit of six months from the date of prior approval from SEBI for making the allocated investments in offshore venture capital undertakings. In case the applicant AIF/VCF does not utilize the limits allocated within six months, SEBI may allocate such unutilized limit to other applicant AIFs/VCFs.
2. In this regard, taking into account recommendations of the Alternative Investments Policy Advisory Committee, it has been decided to reduce the aforesaid time limit for making overseas investments by AIFs/VCFs from six months to four months, so that the allocated limit is utilised efficiently and, if unutilised, the same is again available to the AIF industry in a shorter time span.
3. The provisions of this circular shall apply to the overseas investment approvals granted by SEBI subsequent to the issuance of this circular.
4. This circular is issued with the approval of the competent authority.
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 and to promote the development of, and to regulate the securities market.
6. The circular is available on SEBI website at www.sebi.gov.in under the categories "Legal framework - Circulars" and "Info for - Alternative Investment Funds".

Yours faithfully,

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