

**Press Information Bureau**

**Government of India**

**Ministry of Commerce & Industry**

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**Corrigendum to Circular 2 Of 2011 – Consolidated FDI Policy**

Circular 2 of 2011 was issued on 30th September, 2011. Para NO.3.3.2.1 of the above Circular hereby stands deleted. Erstwhile paragraph 3.3.2.1 of 'Circular 2 of 2011' went like this:

“ 3.3.2.1: Only equity shares, fully, compulsorily and mandatorily convertible debentures and fully, compulsorily and mandatorily convertible preference shares, with no in-built options of any type, would qualify as eligible instruments for FDI. Equity instruments issued/transferred to non-residents having in-built options or supported by options sold by third parties would lose their equity character and such instruments would have to comply with the extant ECB guidelines.”

This paragraph now stands deleted from 'Circular 2 of 2011'.