

Govt Approval Not Needed for Share Transfer to FDI-listed Co

Foreign investors will not need government permission if they transfer shares in an Indian company to another foreign investor if the sector in which the company operates is on the automatic list for foreign direct investment.

This is another measure to improve ease of doing business for foreign investors.

“Government approval is not required for transfer of shares in the investee company from one non-resident to another non-resident in sectors which are under automatic route,” the new DIPP circular on FDI has said.

The Foreign Investment Promotion Board (FIPB) approval will be needed for sectors in which FDI is allowed with government permission.

(The Economic Times)