

REVIEW OF THE FOREIGN DIRECT INVESTMENT POLICY - PERMITTING INVESTMENTS FROM PAKISTAN

PRESS NOTE NO. 3 (2012 SERIES), DATED 1-8-2012

1.0 Present Position :

1.1 As per paragraph 3.1.1 of 'Circular 1 of 2012 - Consolidated FDI Policy', effective from 10-4-2012, investment from a citizen of Pakistan or an entity incorporated in Pakistan is not permitted.

2.0 Revised Position :

2.1 The Government of India has reviewed the policy, as contained in paragraph 3.1.1 of the circular *ibid* and decided to permit a citizen of Pakistan or an entity incorporated in Pakistan to make investments in India, under the Government route, in sectors/activities other than defence, space and atomic energy.

3.0 Amendment to paragraph 3.1.1 :

3.1 Accordingly, Paragraph 3.1.1 of 'Circular 1 of 2012 - Consolidated FDI Policy', effective from 10-4-2012, is amended to read as below:

"3.1.1 A non-resident entity can invest in India, subject to the FDI Policy. A citizen of Bangladesh or an entity incorporated in Bangladesh can invest only under the Government route. A citizen of Pakistan or an entity incorporated in Pakistan can invest, only under the Government route, in sectors/activities other than defence, space and atomic energy."

4.0 The above decision will take immediate effect.