

**Foreign Exchange Management Act, 1999-
Investment by FIIs/NRIs/OCBs/Foreign Venture Capital
Investors in companies engaged in the Print Media Sector
A.P. (DIR Series) Circular No.26 (February 22, 2001)**

RESERVE BANK OF INDIA
EXCHANGE CONTROL DEPARTMENT
CENTRAL OFFICE
MUMBAI 400 001

A.P.(DIR Series) Circular No.26

February 22, 2001

To

All Authorised Dealers in Foreign Exchange

Dear Sirs,

**Foreign Exchange Management Act, 1999-
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Attention of authorised dealers is invited to “Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000” notified under Notification No.FEMA.20/2000-RB dated 3rd May 2000. In terms of sub-regulations (2), (3) and (5) of Regulation 5, Foreign Institutional Investors (FIIs)/Non-Resident Indians (NRIs)/Overseas Corporate Bodies (OCBs) and Foreign Venture Capital Investors (FVCIs) were permitted to purchase shares and convertible debentures of Indian Companies.

2. In consultation with the Government of India it has now been decided that the facility to FIIs/NRIs/OCBs and FVCIs to purchase shares or convertible debentures of an Indian Company **which is engaged in the print media sector** should be withdrawn. Accordingly, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 have been amended vide Notification No.FEMA.35/2000-RB dated 16th February 2001 (copy enclosed). It is clarified that the restriction shall also apply to purchase of shares and convertible debentures by NRIs and OCBs on non-repatriation basis.

3. Authorised Dealers may bring the contents of this circular to the notice of their constituents concerned.

4. The directions contained in this circular have been issued under Section 10(4) and Section 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999). Any contravention or non-observance of these directions is subject to the penalties prescribed under the Act.

Yours faithfully,

K.J. UDESHI
Chief General Manager