

**Indian Direct Investment in Joint Ventures/Wholly Owned Subsidiaries Outside
India (A.P. (DIR Series) Circular No.43)**

Reserve Bank of India
Exchange Control Department
Central Office
Mumbai 400 001

A.P. (DIR Series) Circular No.43

April 30, 2002

To,
All Authorised Dealers in Foreign Exchange

Madam/Sirs,

**Indian Direct Investment in Joint Ventures/
Wholly Owned Subsidiaries Outside India**

Attention of authorised dealers is invited to Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2000 notified by the Reserve Bank vide Notification No. FEMA.19/RB-2000 dated 3rd May 2000 as amended from time to time.

2. With a view to streamlining the monitoring mechanism for overseas direct investment by Indian parties, it has been decided that authorised dealers may designate select branches at different centres to undertake foreign exchange transactions in connection with overseas direct investment under Regulation 6 and 17B of Notification No.FEMA.19/RB-2000 dated May 3, 2000.

3. A list of such branches may be forwarded to Chief General Manager, Reserve Bank of India, Exchange Control Department, Overseas Investment Division, Central Office, Mumbai-400 001, at an early date for record.

4. Authorised Dealers may bring the contents of this Circular to the notice of their constituents concerned.

5. 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).

Yours faithfully,

Grace Koshie
Chief General Manager