

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4622  
ANSWERED ON:23.04.2010  
FOREIGN COMPANIES IN JOINT VENTURE  
Sule Supriya

**Will the Minister of FINANCE be pleased to state:**

(a) whether the foreign companies are being allowed to incrementally raise their Stakes in India Joint Ventures through the stock market deals; and

(b) if so, the details thereof and the benefit likely to be accrued thereby?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a): Foreign companies which are promoters in an Indian joint venture company can raise their stakes in accordance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 as amended from time to time subject to Foreign Direct Investment (FDI) policy.

(b): The acquisition, allowed within the limit of five per cent (5%) may be made by an acquirer who, together with persons acting in concert with him, holds fifty five percent (55 %) or more but less than seventy five per cent (75 %) of the shares or voting rights in the target company.