

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4137
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CONVERTIBLE PAPER
Reddy Shri K. Jayasurya Prakash

Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India has rejected a proposal to treat optionally convertible paper as Foreign Direct Investment;
- (b) if so, the complete details thereof; and
- (c) the present position thereof ?

Answer

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

- (a) & (b) Optionally convertible papers are not treated as Foreign Direct Investment as per RBI's guidelines contained in A.P. (DIR Series) Circular No. 73 and No.74, both dated 8.6.2007.
- (c) The RBI's instructions are currently valid.