

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3617

ANSWERED ON:14.12.2012

INVESTMENT ABROAD

Adhalrao Patil Shri Shivaji;Adsul Shri Anandrao Vithoba;Dharmshi Shri Babar Gajanan;Yadav Shri Dharmendra;Yaskhi Shri Madhu Goud

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

- (a) whether the Ministry of Finance has notified guidelines for allowing outward investment by Indian companies and individuals through the semi automatic route in Pakistan;
- (b) if so, the details thereof and reasons therefor;
- (c) whether consultation have been carried out prior to such decision and if so. the details thereof; and
- (d) the measures taken or proposed to be taken to safeguard the interest of the investors?

**Answer**

Minister of State in the Ministry of Finance (SHRI NAMO NARAIN MEENA)

(a) to (d): No. Sir. However, the guidelines on Overseas Direct Investment (ODI) by an Indian party (as defined in Regulation 2k of FEMA 120/RB-2004 dated July 7, 2004 which includes Indian companies but does not include resident individual) in Pakistan under the approval route has been issued by the Reserve Bank of India vide an A.P. (DIR Series) Circular No. 25 on 7th September. 2012.

To date, RBI has received no proposal for making ODI in Pakistan. The approval to a proposal of ODI, which is otherwise not eligible under the General Permission (automatic-route), is granted by the Special Committee on Overseas Direct Investments or as per the powers delegated by the Committee.

As regards resident individuals, they can make investment abroad under the Liberalized Remittance Scheme. However remittance for investment in Pakistan are prohibited under the scheme,