

Government of India
Ministry of Commerce & Industry
Department of Industrial Policy & Promotion
Press Note No. 2(2013 Series)

Subject : Foreign Direct investment Policy - definition of 'group company'

1.0 The Government has decided to incorporate the following definition of 'group company' in the FDI Policy contained in 'Circular 1 of 2013 - Consolidated FDI Policy', effective from 05-04-2013:

2.1	Definitions
2.1.15 bis	"Group company" means two or more enterprises which, directly or indirectly, are in a position to : (i) exercise twenty six per cent, or more of voting rights in other enterprise; or (ii) appoint more than fifty per cent, of members of board of directors in the other enterprise.

2.0 The above decision will take immediate effect.

(D. V. Prasad)
Joint Secretary to the Government of India
D/o IPP File No. : No. 5/3/2005-FC.I dated 3 June 2013