

**RESERVE BANK OF INDIA  
FOREIGN EXCHANGE DEPARTMENT  
CENTRAL OFFICE  
MUMBAI-400 001**

**Notification No.FEMA.320/2014-RB**

**September 5, 2014**

**Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) (Fourteenth Amendment) Regulations, 2014**

In exercise of the powers conferred by clause (b) of sub-section (3) of Section 6 and Section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999), the Reserve Bank of India hereby makes the following amendments in the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 ([Notification No. FEMA.20/2000-RB dated 3rd May 2000](#)), namely:-

**1. Short Title & Commencement:-**

- (i) These Regulations may be called the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) (Fourteenth Amendment) Regulations, 2014.
- (ii) They shall come into force from August 27, 2014@.

**2. Amendment of Schedule 1**

In the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, ([Notification No.FEMA 20/2000-RB dated 3<sup>rd</sup> May 2000](#)), in Schedule 1,

- (A)** For the existing Annexure 'A' the following shall be substituted namely:

***"Annexure A"***

***Sectors Prohibited for FDI***

*FDI is prohibited in:*

- (a) Lottery Business including Government/ private lottery, online lotteries, etc.*
- (b) Gambling and Betting including casinos etc.*
- (c) Chit funds*
- (d) Nidhi company*
- (e) Trading in Transferable Development Rights (TDRs)*
- (f) Real Estate Business or Construction of Farm Houses*
- (g) Manufacturing of Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes*
- (h) Activities / sectors not open to private sector investment e.g. (I) Atomic energy and (II) Railway operations (other than permitted activities mentioned in entry 18 of Annex B).*

***Note:*** Foreign technology collaboration in any form including licensing for franchise, trademark, brand name, management contract is also prohibited for Lottery Business and Gambling and Betting activities."

**(B) Amendment to Annexure B**

(a) In the existing entry 12.1, for the clauses (ii) and (iii), the following shall be substituted, namely:

*“(ii) Infrastructure” refers to facilities required for functioning of units located in the Industrial Park and includes roads (including approach roads), railway line/sidings including electrified railway lines and connectivities to the main railway line, water supply and sewerage, common effluent treatment facility, telecom network, generation and distribution of power, air conditioning.*

*“(iii) “Common Facilities” refer to the facilities available for all the units located in the industrial park, and include facilities of power, roads (including approach roads), railway line/sidings including electrified railway lines and connectivities to the main railway line, water supply and sewerage, common effluent treatment, common testing, telecom services, air conditioning, common facility buildings, industrial canteens, convention/conference halls, parking, travel desks, security service, first aid center, ambulance and other safety services, training facilities and such other facilities meant for common use of the units located in the Industrial Park.”*

**(C)** *the existing entry 25 , 25.1 and 25.2 shall be renumbered as 17, 17.1 and 17.2 respectively.*

**(D)** *the existing entry 17, 17.1 and 17.2 shall be renumbered as F.1, F.1.1, F.1.1.2 respectively.*

**(E)** *the existing entry 18, 18.1 and 18.2 shall be renumbered as F.2, F.2.1, F.2.2 respectively.*

**(F)** *the existing entry 19 and 19.1 shall be renumbered as F.3 and F.3.1, respectively.*

**(G)** *the existing entry 20, 20.1, 20.2 and 20.3 shall be renumbered as F.4, F.4.1, F.4.2 and F.4.3 respectively.*

**(H)** *the existing entry 21, 21.1 and 21.2 shall be renumbered as F.5, F.5.1 and F.5.2 respectively.*

**(I)** *the existing entry 22, 22.1, 22.2 and 22.2.1 shall be renumbered as F.6, F.6.1, F.6.2 and F.6.2.1 respectively.*

**(J)** *the existing entry 23, 23.1 and 23.2 shall be renumbered as F.7, F.7.1 and F.7.2 respectively.*

**(K)** *the existing entry 24, 24.1 and 24.2 shall be renumbered as F.8, F.8.1 and F.8.2 respectively.*

(L) the existing entry 26, 26.1 and 26.2 shall be renumbered as F.9, F.9.1 and F.9.2 respectively.

(M) After the renumbered entry 17, the following entry shall be added:

Sl. No.	Sector/Activity	% of Equity/ FDI Cap	Entry Route
18	<b>Railway Infrastructure</b>		
	Construction, operation and maintenance of the following: (i) Suburban corridor projects through PPP, (ii) speed train projects, (iii) Dedicated freight lines, (iv) Rolling stock including train sets, and locomotives/coaches manufacturing and maintenance facilities, (v) Railway Electrification, (vi) Signaling systems, (vii) Freight terminals, (viii) Passenger terminals (ix) Infrastructure in industrial park pertaining to railway line/sidings including electrified railway lines and connectivities to main railway line and (x) Mass Rapid Transport Systems.	100%	Automatic
	<b>Note:-</b> (i) Foreign Direct Investment in the abovementioned activities open to private participation including FDI is subject to sectoral guidelines of Ministry of Railways. (ii) Proposals involving FDI beyond 49 in sensitive areas from security point of view, will be brought by the Ministry of Railways before the Cabinet Committee on Security (CCS) for consideration on a case to case basis.		

**(C. D. Srinivasan)**  
**Chief General Manager**

**Foot Note:-**

(i) @ It is clarified that no person will be adversely affected as a result of the retrospective effect being given to these Regulations.

(ii) The Principal Regulations were published in the Official Gazette vide G.S.R. No.406 (E) dated May 8, 2000 in Part II, Section 3, sub-Section (i) and subsequently amended as under:-

G.S.R.No. 158(E) dated 02.03.2001

G.S.R.No. 175(E) dated 13.03.2001

G.S.R.No. 182(E) dated 14.03.2001

G.S.R.No. 4(E) dated 02.01.2002

G.S.R.No. 574(E) dated 19.08.2002

G.S.R.No. 223(E) dated 18.03.2003

G.S.R.No. 225(E) dated 18.03.2003

G.S.R.No. 558(E) dated 22.07.2003

G.S.R.No. 835(E) dated 23.10.2003

G.S.R.No. 899(E) dated 22.11.2003

G.S.R.No. 12(E) dated 07.01.2004

G.S.R.No. 278(E) dated 23.04.2004

G.S.R.No. 454(E) dated 16.07.2004

G.S.R.No. 625(E) dated 21.09.2004

G.S.R.No. 799(E) dated 08.12.2004

G.S.R.No. 201(E) dated 01.04.2005

G.S.R.No. 202(E) dated 01.04.2005

G.S.R.No. 504(E) dated 25.07.2005

G.S.R.No. 505(E) dated 25.07.2005

G.S.R.No. 513(E) dated 29.07.2005

G.S.R.No. 738(E) dated 22.12.2005

G.S.R.No. 29(E) dated 19.01.2006

G.S.R.No. 413(E) dated 11.07.2006  
G.S.R.No. 712(E) dated 14.11.2007  
G.S.R.No. 713(E) dated 14.11.2007  
G.S.R.No. 737(E) dated 29.11.2007  
G.S.R.No. 575(E) dated 05.08.2008  
G.S.R.No. 896(E) dated 30.12.2008  
G.S.R.No. 851(E) dated 01.12.2009  
G.S.R.No. 341 (E) dated 21.04.2010  
G.S.R.No. 821 (E) dated 10.11.2012  
G.S.R.No. 606(E) dated 03.08.2012  
G.S.R.No. 795(E) dated 30.10.2012  
G.S.R.No. 796(E) dated 30.10.2012  
G.S.R. No. 797(E) dated 30.10.2012  
G.S.R.No. 945 (E) dated 31.12.2012  
G.S.R. No.946(E) dated 31.12.2012  
G.S.R. No.38(E) dated 22.01.2013  
G.S.R.No.515(E) dated 30.07.2013  
G.S.R.No.532(E) dated 05.08.2013  
G.S.R. No.341(E) dated 28.05.2013  
G.S.R.No.344(E) dated 29.05.2013  
G.S.R. No.195(E) dated 01.04.2013  
G.S.R.No.393(E) dated 21.06.2013  
G.S.R.No.591(E) dated 04.09.2013  
G.S.R.No.596(E) dated 06.09.2013  
G.S.R.No.597(E) dated 06.09.2013  
G.S.R.No.681(E) dated 11.10.2013  
G.S.R.No.682(E) dated 11.10.2013  
G.S.R. No818(E) dated 31.12.2013  
G.S.R. No805(E) dated 30.12.2013

G.S.R.No.683(E) dated 11.10.2013  
G.S.R.No.189(E) dated 19.03.2014  
G.S.R.No.190(E) dated 19.03.2014  
G.S.R.No.270(E) dated 07.04.2014  
G.S.R.No. 361 (E) dated 27.05.2014  
G.S.R.No.370(E) dated 30.05.2014  
G.S.R.No.371(E) dated 30.05.2014  
G.S.R.No. 435 (E) dated 08.07.2014  
G.S.R.No. 400 (E) dated 12.06.2014  
G.S.R.No. 436 (E) dated 08.07.2014

**Published in the Official Gazette of Government  
of India – Extraordinary – Part-II, Section 3,  
Sub-Section (i) dated 13.11.2014- G.S.R.No.800(E)**