

Government of India
Ministry of Commerce & Industry
Department of Industrial Policy & Promotion
SIA (FC Division)

PRESS NOTE NO. 5 (2002 Series)

Subject: Prohibition on foreign investment in lottery business, gambling and betting – regarding

As per existing policy, lottery business, gambling and betting are not open to foreign investment, which applies to FDI, FII portfolio investment, NRI/OCB portfolio investment, NRI/OCB investment on non-repatriation basis and investment by foreign venture capital investors.

2. Government has been receiving queries from certain State Governments, prospective investors, technology providers, franchise / trademark / brand name licensors, management consultants, etc., as to whether FDI is permissible in Government / private lotteries, online lotteries, casinos, etc., and also whether foreign technology collaboration, including licensing of franchise / trademark / brand name, management contract, etc., are permitted in the lottery business, gambling and betting sector.

3. It is clarified that both foreign investment and foreign technology collaboration in any form are completely prohibited in the lottery business, gambling and betting sector.

(M.S. SRINIVASAN)
Joint Secretary to the Government of India

F. No. 5(31)/2000-FC I dated 5th July 2002