

FIPB Approval - Case study

December, 2011

Vijay Gupta

AICWA, FCA, FCS

Mobile: 9810083373

E-mail: vijay.gupta@vkgnassociates.com

Determination of Cases Requiring FIPB/Govt. Approval

Mandatory Online Application

25.08.2011

'Investing Company with FDI of over Rs. 1200 crores'

Filing of Physical Set

26.08.2011

Weekly Status of fresh Applications Filed

26.08.2011

Any Query or Deficiency by FIPB/DIPP/Dept. of Revenue

Agenda for Meeting notified

20.09.2011

FIPB Meeting held

30.09.2011

Minutes Approved by FM

10.10.2011 Period since filing: 1.5 months

Press Release by FIPB

10.10.2011

Listing before CCEA, if applicable

07.12.2011

Press Release by CCEA

07.12.2011

Issue of Approval Letter

20.12.2011 Period since filing: 4 months

Post Approval Compliances

Government route

- Foreign Investment Promotion Board (FIPB) constituted by the Government of India under Department of Economic Affairs (DEA), Ministry of Finance
- Department of Industrial Policy & Promotion (DIPP), Ministry of Commerce **for Single brand Retail, and NRIS FDI proposals**
- **DIPP** : For Single Brand Trading cases and NRI cases as Individuals

Constitution of FIPB

(Headed by Finance Minister)

- Secretary, Department of Economic Affairs, Ministry of Finance – **Chairperson, Shri R. Gopalan**
- Secretary, Department of Industrial Policy & Promotion, Ministry of Commerce & Industry
- Secretary, Department of Commerce, Ministry of Commerce & Industry
- Secretary, Economic Relations, Ministry of External Affairs
- Secretary, Ministry of Overseas Indian Affairs

LEVELS OF APPROVAL FOR CASES UNDER GOVERNMENT ROUTE

- **FIPB:** Proposals with total foreign equity(FDI) inflow of and below Rs.1200 crore
- **CCEA:** Proposals with total foreign equity(FDI) inflow of more than Rs. 1200 crore except those sectors that are under Automatic Route

CASES WHICH DO NOT REQUIRE FRESH APPROVAL

- Bringing in additional foreign investment into the **same entity**
- Entities the activities of which had earlier required prior approval of FIPB/CCEA and which had, accordingly, earlier obtained prior approval of FIPB/CCEA for their initial foreign investment but **subsequently such activities/sectors have been placed under automatic route**
- Entities the activities of which had sectoral caps earlier and who had, accordingly, earlier obtained prior approval of FIPB/CCEA for their initial foreign investment but subsequently such **caps were removed/increased and the activities placed under the automatic route**; provided that such additional investment along with the initial/original investment does not exceed the sectoral caps

Under FIPB Route

Sector/Activity	% of FDI Cap/Equity
Tea sector including tea plantations	100%
Mining and mineral separation of titanium	100%
Manufacture of items reserved for production in Micro and Small Enterprises (MSEs) by Non-Micro or Small Scale Enterprise where FDI is more than 24%; subject to Industrial License under IDR Act 1951, & undertake to export obligation of minimum 50%	
Defence Industry	26%
Broadcasting	
Terrestrial Broadcasting FM (FM Radio)	20% (FDI, NRI & PIO Investment and portfolio investment)
Cable Network	49% (FDI, NRI & PIO investment and portfolio investment)
Direct -to-Home	49% (FDI, NRI & PIO investment and portfolio investment) Within this limit, FDI component not to exceed 20%

Setting up of Up-linking HUB/ Teleports	49% (FDI & FII)
Up-linking a Non-News & Current Affairs TV Channel	100%
Up-linking a News & Current Affairs TV Channel	26% (FDI & FII)
Financial Services	
Foreign investment in other financial services, other than those indicated below, would require prior approval of the Government	
Asset Reconstruction Companies	
‘Asset Reconstruction Company’	49% of paid-up capital of ARC
Banking- Public Sector (inc. State Bank of India and its associate Banks)	20% (FDI and Portfolio Investment)
Commodity Exchanges	
49% (FDI & FII) [Investment by Registered FII under Portfolio Investment Scheme (PIS) will be limited to 23% and Investment under FDI Scheme limited to 26%]	
Credit Information Companies	49% (FDI & FII)
Petroleum & Natural Gas Sector Petroleum refining by the Public Sector Undertakings (PSU), without any divestment or dilution of domestic equity in the existing PSUs.	49%

Print Media	
Publishing of Newspaper and periodicals dealing with news and current affairs. Publication of Indian editions of foreign magazines dealing with news and current affairs	26% (FDI and investment by NRIs/PIOs/FII)
Publishing/printing of Scientific and Technical Magazines/specialty journals/ periodicals Publication of facsimile edition of foreign newspapers	100%
Private Security Agencies	49%
Satellites – Establishment and operation	74%
Single Brand product trading	51%
Courier service for carrying packages, parcels and other items	100%

Under FIPB Route (with ceiling limits)

Banking –Private sector	74 % including investment by FIIs	Automatic up to 49%
FDI limit in (HITS) Broadcasting Service	74% (total direct and indirect foreign investment including portfolio and FDI)	Automatic up to 49%
Telecom Services		
(i) Telecom services	74%	Automatic up to 49%
(a) ISP with gateways		
(b) ISP's not providing gateways i.e. without gate-ways (both for satellite and marine cables)		
(c) Radio paging		
(d) End-to-End bandwidth		
(a) Infrastructure provider providing dark fibre, right of way, duct space, tower (IP Category I)	100%	Automatic up to 49%
(b) (b) Electronic Mail		
(c) (c) Voice Mail		
Pharmaceuticals: Greenfield	100%	Automatic

Existing companies	100%	Government
Infrastructure companies in Securities Markets, namely, stock exchanges, depositories and clearing corporations	49% (FDI & FII) [FDI limit of 26 per cent and an FII limit of 23 per cent of the paid-up capital]	Government (For FDI)
Civil Aviation: Airports		
Greenfield projects	100%	Automatic
Existing projects	100%	Automatic up to 74%
Civil Aviation: Airports		
Greenfield projects	100%	Automatic
Existing projects	100%	Automatic up to 74%
Helicopter services/ seaplane services requiring DGCA approval	100%	Automatic
Other services under Civil Aviation Sector		
Ground Handling Services subject to sectoral regulations and security clearance	74% FDI (100% for NRI)s)	Automatic up to 49%
Maintenance and Repair organizations; flying training institutes; and technical training institutions	100%	Automatic

Other cases requiring FIPB approval

- **Issue of Warrants: Upfront payment of 25% and conversion in 12 months**
- **Issue of partly paid shares: 50% upfront** first payment and **full payment in 6 months** from the date of issue
- **Investing Company, regardless of the amount or extent of foreign investment** - an Indian Company holding only investments in other Indian company/ (ies), directly or indirectly, other than for trading of such holdings/securities.
- **Indian Company which does not have any operations** and also do not have any downstream investments, Government/FIPB approval would be required, regardless of the amount or extent of foreign investment
- **FDI in Limited Liability Partnerships (LLPs)**
- A **citizen of Bangladesh** or an **entity incorporated in Bangladesh** can invest only under the Government route.
- **Issue of equity shares against import of capital goods/machinery/equipment** (including second-hand machinery), and **pre-operative/pre-incorporation expenses (including payments of rent etc.)**.

- **Acquisition of shares under Scheme of Merger/Demerger/Amalgamation** under Scheme u/s 391-384 sectoral cap gets attracted and the activities are not under automatic route.
- **Share Swap between Indian Company and Foreign Company/Shareholders:** Irrespective of the amount for inward leg of FDI.
- **Transfer from Non-Resident to Non-Resident in sectors/activities under approval route.**
- **Compounding cases before RBI** would need **post facto approval of FIPB** where proper approval or permission from envisaged under FEMA/FDI Policy
- Foreign investment in other financial services **e.g. commodity broking, payment and authorization system for on-line payment related services (on line gateway system), Cash ATM Network, Primary Dealer in India**
- **Downstream investment by Indian Company which is owned and/or controlled by non resident entity/ies:** To **notify SIA, DIPP and FIPB** of its downstream investment in the form available at <http://www.fipbindia.com> **within 30 days of such investment, even if capital instruments have not been allotted. This applies to all companies whether operating under automatic route or Approval route.**

Rejection Cases - Indicative

➤ Prohibited Sectors:

- Retail Trading (except single brand product retailing)
- Lottery Business including Government /private lottery, online lotteries, etc.
- Gambling and Betting including casinos etc.
- Chit funds
- Nidhi company
- Trading in Transferable Development Rights (TDRs)
- Real Estate Business or Construction of Farm Houses
- Manufacturing of Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes
- Activities / sectors not open to private sector investment e.g. Atomic Energy and Railway Transport (other than Mass Rapid Transport Systems)

- **FII**s seeking approval for investment under **FDI** exceeding 24% cap (aggregate under FDI and PIS)
- **Foreign Investor** other than SEBI registered FII/NRI under PIS, seeking to invest/trade through a registered broker **on recognized Indian Stock Exchanges under FDI.**
- **FDI in Partnership Firm / Proprietary Concern** with repatriation option.
- **FDI in unincorporated entities e.g. AoP, HUF, Trusts (other than VCF)**
- **Relaxation to pricing guidelines/valuation norms prescribed under FEMA Regulations**
- **Issue of shares against current accounts payables, Advances received** (other than Conversion of ECB/Lumpsum Fee/Royalty, **import of capital goods/machinery/equipment and pre-operative/pre-incorporation expenses etc..**

- **Share Swap between Indian Company and Foreign Company/Shareholders** where **foreign shares are to be allotted to Individual residents** (advised to comply with Liberalised remittance Scheme)
- **Relaxation in minimum capitalisation norms for NBFC; and in Construction Development: Townships, Housing, Built-up infrastructure; Sale of undeveloped land**
- **Relaxation of minimum lock-in-period for Construction Development: Townships, Housing, Built-up infrastructure; and in Defence Sector**
- **Relaxation of Wholesale trading conditions e.g. sale to entities not holding trade licenses; 25% ceiling of sales to same Group**
- **Issue of sweat equity shares beyond 5% of paid-capital**
- **Business of publishing specialty technical magazines covering the subject of wine and champagne**

User Registration

The registration process recognizes different types of users. Please read all the categories to identify which one you belong to fill the Mandatory Preliminary Application.

Indian Corporate

This category includes companies which are registered in India. The applicant will provide CIN number of company and fill the details of a contact person of the company as asked for. If you belong to this type of category. (Click here)

Foreign Corporate

This category includes companies which are registered outside of India. The applicant will provide Registration Number, attach a certificate of registration issued by the foreign authority and fill the details of a contact person of the company. If you belong to this type of category. (Click here)

Consultant / Professional Firms

Individual consultants or professional firms or authorized representatives filing the application on behalf of their client, whether Indian or foreign may register themselves and give contact details as asked for. If you belong to this type of category. (Click here)

Individuals

Individuals, whether Indian residents or non-residents filing the application for FDI on their own behalf may register themselves and give contact details as asked for. If you belong to this type of category. (Click here)

Any Other – Specify

If you are not able to choose your category or are not covered in any of the above category. (Click here)

FOREIGN INVESTMENT PROMOTION BOARD (FIPB)

- [e-Filing](#) of FIPB Application New
- [e-Filing](#) of FIPB Application (57 KB)
- [Important notice for Investors](#) / Applicants (57 KB) Acceptance of gifts by Government Servants
- [Instructions to Applicants](#) Nothing In Particular
- [Guidelines for Applicants](#) (96 KB) Check List of Documents to be attached with and information to be provided in each set of the Application Form for consideration of fresh proposal by FIPB
- [Important for Applicants](#) (In case of Amendment) (47 KB) Submit 15 copies
- [Press Notes regarding FDI Policy](#) Listing of all earlier Press Notes and Circulars
- [FDI Policy and Procedure/Notification](#) Notifications by SIA

FORMS

- [Licence \(IL-FC\)](#) (262 KB) Composite Form
- [Check list for FIPB Plain Paper](#) / Amendment Application (62 KB) Format
- [Notice for the Applicants of I&B Sector](#) (233 KB) Checklist devised by MIB
- [Notice for the Applicants of Telecommunication Sector](#) (38 KB) Information of Directors of Indian Company and FC

FIPB APPLICATION STATUS

- [Weekly status](#) of FIPB Applications for week ending 16th December,2011

Contd.

FORTHCOMING FIPB MEETING AND CASES LISTED THERE FOR

- Notice for 172nd Meeting to be held on 23rd December,2011
- **Agenda** for 172nd Meeting
- **Cases approved** in 171st Meeting held on 15th November,2011
- Cases approved in **previous FIPB Meetings**

CONTACT DETAILS

Shri.A.K.Srivastava

Under Secretary(FIPB)

Department of Economic Affairs,

Ministry of Finance,

Room no. 63,

North Block

Ph: +91-11-23094979 (O)

Fax: +91-11-23094084

Email: us.fipb-mof[at]nic[dot]in

No. 5(20)/2009-FIPB-I
Government of India
Ministry of Finance
Department of Economic Affairs
(FIPB Unit)

North Block, dated **June 30, 2011**

CIRCULAR

The applicants are requested to refer to the new instructions placed in the FIPB website which provide for **compulsory e-filing of the Mandatory Preliminary Application**. It has been decided that w.e.f. July 1, 2011, the Mandatory Preliminary Application must be e-filed before filing any fresh or amendment applications (online/ hardcopy) with FIPB. A copy of the mandatory e-filed proforma must be sent along with the application for consideration of the proposal.

Sd/-

(Vijay Singh Chauhan)

Director (FIPB)

30.06.2011

ONLINE FILING OF APPLICATIONS FOR FIPB/GOVERNMENT'S APPROVAL

Guidelines for e-filing of applications, filing of amendment applications and instruction to applicants are available at FIPB's website (<http://finmin.nic.in/>) and (<http://www.fipbindia.com>).

Please read these instructions before you proceed with e-filing

1. Applications seeking FIPB approval as an investee or investor company for the first time are called "**Fresh Applications**". Applicants may, therefore, click on the "**Fresh Application**" link in case they are approaching FIPB for the first time.
2. "**Amendment Applications**" are those which seek an amendment to the FIPB approval already granted.
3. On submission of the **Mandatory Preliminary Application**, whether for Fresh or Amendment cases, a computer generated unique (**FC Registration No.**) number shall be allotted. Thereafter, the applicant may either use the FC Registration No. to proceed for filing the on-line application or mention this number on the hardcopy of the application to be submitted at the **FIPB Facilitation Center, Near Gate No. 9, North Block, New Delhi-110001 (Tel: 011 23095123/4031; Intercom: 5123)** . The applicant must also quote this number in all future correspondences with the FIPB.
4. For Amendment Applications which are procedural in nature, users may click "**Amendment Application which is procedural in nature**" and submit in the prescribed proforma.
5. For Submission of information for intimation/ record of FIPB, including information with respect to P.N. 4/2009 user may click "**Submission of information for intimation / record of FIPB**" and submit in the respective format.

6. Any query pertaining to application filed or in the process of being filed, may be asked through the link – "**Clarification/Query**".
7. In case an applicant wishes to make a change in the recently submitted application, that has not been processed, he/she may click on the link "**Updation/Additional Information Form**". Additional details being sought by the FIPB may also be submitted through the same link.
8. It is mandatory to file **complete details of the Directors** in applications seeking FIPB approval in **Telecom, Defense** and **Private Security Services** sectors to enable capturing the inputs in the first instance for expeditious processing from the security angle. This requirement is also **mandatory in case the foreign collaborator has Bangladesh, Chinese/ Hong Kong** registration/links. To provide these details kindly click [HERE](#).
9. **After e-filing the application, one hard copy (alternative 1+15; 18 copies** in case of Defence, and Telecommunication proposals) **bearing the Unique FC Registration No. generated after submitting the Mandatory Preliminary Application, in original, with all annexures should immediately be sent by post at FIPB Facilitation Center, North Block, New Delhi-110001.**
10. **Only the applications that are complete in all respect, filed three weeks prior to the scheduled date of the FIPB meeting, only, shall be taken up for consideration in that meeting.**

Click on the link below to download FIPB Application form.

1.	Fresh Application
2.	Amendment Application
3.	Amendment Application which is procedural in nature
4.	Submission of information for intimation / record of FIPB •Questionnaire linked to FC Approval •Down stream investment as per P.N.4(2009)
5.	Clarification/Query
6.	Updation/Additional Information Form

WEEKLY STATEMENT OF FIPB FRESH APPLICATIONS from 28th Nov. to 16th Dec, 2011

Sl. No	Application Number	Applicati on Date	Applicant/ Undertaking	Item Description
1.	241/FC/ 2011	28/11/ 2011	MULTIPLES PRIVATE EQUITY FUND I LIMITED, MAURITIUS.	TO OPERATE INDIA'S FIRST NATIONWIDE, AUTOMATED AND ONLINE POWER EXCHANGE AND OFFERS PRODUCTS THAT PERMIT TRADING IN ELECTRICITY (FOR PHYSICAL DELIVERY) AND RENEWABLE ENERGY CERTIFICATES (THE "POWER EXCHANGE").
2.	242/FC/ 2011	29/11/ 2011	CHEMTROLS SAMIL (INDIA) PRIVATE LIMITED, MUMBAI	ENGAGED IN THE BUSINESS OF MANUFACTURING OF INDUSTRIAL VALVES, MAGNETIC LEVEL GAUGES AND PROCESS CONTROL EQUIPMENTS
3.	243/FC/ 2011	30/11/ 2011	ORDAIN HEALTH CARE GLOBAL PRIVATE LIMITED, CHENNAI	TO UNDERTAKE MARKETING AND WHOLESALE TRADING OF PHARMACEUTICAL FINISHED DOSAGE FORMULATIONS
4.	244/FC/ 2011	30/11/ 2011	APTUIT LAURUS PRIVATE LIMITED, HYDERABAD	MANUFACTURE OF CHEMICAL SUBSTANCES USED IN THE MANUFACTURE OF PHARMACEUTICALS AND ENGAGED IN RESEARCH IN THE BIOLOGICAL, PHYSICAL AND SOCIAL SCIENCES, METEOROLOGICAL INSTITUTES AND MEDICAL RESEARCH ORGANISATIONS ETC.

Queries raised

- **Department of Revenue**, CBDT, Ministry of Finance (Not FIPB/DEA - independent of FIPB) has been raising issues and seeking information directly from the Applicant/Consultant and the foreign investor regarding source of funding for the proposed investment.
- Corporate structure of the investor company right from the parent company indicating flow of funds to the investee company in a diagrammatic representation.
- Amount of foreign investment and source of funds of above along with supporting documentary evidence.(P/L a/c , B/s for the period relevant to investment)
- **For transfer of shares:**
- FMV and transfer price of shares proposed to be acquired by Non-Resident from other Non-Resident
- FMV and price at which shares allotted/proposed to be allotted to Non-Resident
- Details of capital gains accruing thereof to the Non-Resident Investor

**Special Messenger
Most Immediate**

No. 7(10)/2011-FIPB

Government of India

Ministry of Finance

Department of Economic Affairs

(FIPB Unit)

New Delhi, the December 13, 2011.

Office Memorandum

Subject: Meeting of the Foreign Investment Promotion Board (FIPB) – regarding.

The 172nd Meeting of the Foreign Investment Promotion Board (FIPB) is scheduled to be held on **Friday, the December 23, 2011 at 3.00 PM** in Room No. 131-A, North Block New Delhi. It is requested to make it convenient to attend the same.

The **Agenda** for the meeting is enclosed.

Sd/-

(VIJAY SINGH CHAUHAN)

Director (FIPB)

Tele/fax No. 2309 4045

E-mail: chauhan@nic.in

Time gap between FIPB meetings

Meeting No.	FIPB meeting date	Time gap - No. of days
172	23.12.2011	38
171	15.11.2011	52
170	30.09.2011	28
169	02.09.2011	28
168	05.08.2011	29
167	06.07.2011	47
166	20.05.2011	30
165	20.04.2011	40
164	11.03.2011	24
163	15.02.2011	46

1. **Secretary, Department of Economic Affairs, (Chairman, FIPB), North Block, New Delhi.**
2. **Secretary, Deptt. of Industrial Policy & Promotion, Udyog Bhawan, New Delhi.**
3. **Secretary, Deptt. of Commerce, Udyog Bhawan, New Delhi**
4. **Finance Secretary and Secretary, Deptt. of Revenue, North Block, New Delhi**
5. **Secretary, Ministry of Overseas Indian Affairs, Akbar Bhavan, Chanakyapuri, New Delhi**
6. **Secretary, Ministry of Micro, Small and Medium Enterprises, Udyog Bhawan, New Delhi.**
7. **Secretary (ER), Min. of External Affairs, South Block, New Delhi.**
8. **Director General (Currency) Department of Economic Affairs, Ministry of Finance, North Block, New Delhi.**
9. **Joint Secretary (I&I), Department of Economic Affairs, Ministry of Finance, North Block, New Delhi.**
10. **OSD(CM&I), Department of Economic Affairs, Ministry of Finance, North Block, New Delhi**
11. **Secretary, Department of Agriculture & Cooperation (Item No. 32)**
12. **Secretary Department of Chemical & Petrochemical (Item No. 4,5,14,52)**
13. **Secretary, Ministry of Civil Aviation (Item No. 1)**
14. **Secretary, Ministry of Corporate Affairs (Item No. 4,28,52)**
15. **Secretary, Department of Consumer Affairs (Item No. 3)**

16. Secretary, Department of Defence Production (Item No. 1)
17. Secretary, Department of Financial Services (Item Nos. 9,10,11,12)
18. Secretary, Ministry of Food Processing Industries (Item No. 32)
19. Secretary, Department of Health & Family Welfare (Item No. 5,13,14)
20. Secretary, Department of Higher Education (Item No. 17,37,42,43,44)
21. Secretary, Ministry of Home Affairs (Item Nos. 1,8,20,23,24,30,33,36,38,39,40, 47,49,54,55)
22. Secretary, Ministry of Information & Broadcasting (Item Nos. 15,16,17,42,43,44,45,50,53)
23. Secretary, Department of Information Technology (Item, Nos. 9,17,49)
24. Secretary, Ministry of New & Renewable Energy (Item No. 19,20,22)
25. Secretary, Department of Pharmaceuticals (Item No. 21)
26. Secretary, Ministry of Power (Item Nos. 4,22,48)
27. Secretary, Department of Post (Item Nos. 29,47)
28. Secretary, Department of Telecommunications (Item Nos. 20,23,24,30,31,49,50,54,55)
29. Secretary, Ministry of Tourism (Item No. 51)
30. Secretary, Ministry of Urban Development (Item Nos. 25,26,27,28,51)
31. Joint Secretary, Council of Scientific and Industrial Research (Item No. 5)

Copy to: PS to FM/PSO to Finance Secretary/Addl. Director General, Dte. Genl. of Export Promotion, Ministry of Finance (Deptt. of Rev.) Ist Floor, Hotel Janpath, Janpath, New Delhi

Visit us at <http://finmin.nic.in/fipbweb/fipbwebreports/webpage.asp>
<http://www.fipbindia.com/admin/agenda/agenda.pdf>

AGENDA FOR THE 172ND MEETING OF THE FOREIGN INVESTMENT PROMOTION BOARD (FIPB) SCHEDULED TO BE HELD ON FRIDAY, THE DECEMBER 23, 2011 AT 3.00 PM

I. *FRESH PROPOSALS:*

CIVIL AVIATION

1. M/s Rossell Aviation Pvt. Ltd., Delhi (No.198/2011-FC.I)
[Also MoD, MEA, MHA, DEA and DIPP]

CONSUMER AFFAIRS

3. M/s Funderburk 2 Mauritius Ltd., Mauritius (No.151/2011-FC.I)
[Also DoC, DEA and DIPP]

CORPORATE AFFAIRS

4. M/s Veritas (India) Ltd., Mumbai (No.121/2011-FC.I)
[Also M/Power, M/Chem & Petro, DoC, DEA and DIPP]

COUNCIL OF SCIENTIFIC AND INDUSTRIAL RESEARCH

5. M/s Aptuit Laurus Private Limited, Hyderabad (No.244/2011-FC.I)
[Also M/H&FW, M/Chem and Petro, DEA and DIPP]

HOME AFFAIRS

8. M/s Security International Services India Pvt. Ltd., Delhi (No.99/2011-FC.I)
[Also MEA, DEA and DIPP]

FINANCIAL SERVICES

9. M/s Oxigen Services (India) Pvt. Ltd., Gurgaon (No.168/2011-FC.I)
[Also DIT, DEA and DIPP]

HEALTH & FAMILY WELFARE

14. M/s Ordain Health Care Global Pvt. Ltd., Chennai (No.243/2011-FC.I)

[Also M/Chem and Petro, DEA and DIPP]

INFORMATION & BROADCASTING

15. M/s TV Vision Ltd., Mumbai (No.192/2011-FC.I)

[Also DEA and DIPP]

16. M/s Alliance Data Pte. Ltd., Singapore (No.3/2011-FC.I)

[Also DEA and DIPP]

MICRO SMALL AND MEDIUM ENTERPRISES

18.The Technology Venture Fund, Hyderabad (No.223/2011-FC.I)

[Also DEA and DIPP]

NEW & RENEWABLE ENERGY

20. M/s Sterlite Grid Limited, Dadar and Nagar Haveli (No.220/2011-FC.I)

[Also DoT, MEA, MHA, DEA and DIPP]

PHARMACEUTICALS

21. M/s Edict Pharmaceuticals Pvt. Ltd. (No.2/SIA/EFC/2011)

[Also DIPP]

POWER

22. M/s Multiples Private Equity Fund I Limited, Mauritius (No.241/2011-FC.I)

[Also New and Renewable Energy, DEA and DIPP]

TELECOMMUNICATIONS

23. M/s Sterlite Networks Limited, Dadar and Nagar Haveli (No.221/2011-FC.I)

[Also MEA, MHA, DEA and DIPP]

URBAN DEVELOPMENT

25. M/s Pomelo Infra Projects Pvt Ltd., Hyderabad (No.181/2011-FC.I)

[Also DEA and DIPP]

II. AMENDMENT PROPOSALS:

TELECOMMUNICATIONS

30. M/s World Phone Internet Services Pvt. Ltd. (No. FC.II: 548/2000)

[Also MHA, DIPP and DEA]

III. DEFERRED PROPOSALS:

AGRICULTURE & COOPERATION

32. M/s Unifior Vegetables LLP, Mumbai (No.199/2011-FC.I) (Deferred in the FIPB Meeting held on 15.11.11)

[Also M/FPI, DEA and DIPP]

COMMERCE

33. M/s Rahimafrooz Batteries Ltd., **Bangladesh (No.188/2010-FC.I) (Deferred in the FIPB Meeting held on 31.12.10, 15.02.11, 11.03.11, 05.08.11, 02.09.11 and 15.11.11)**

[Also MEA, MHA, DEA and DIPP]

HIGHER EDUCATION

37. M/s Copper Beech Infrastructure Pvt. Ltd., Delhi (No.154/2011-FC.I) (Deferred in the FIPB Meeting held on 15.11.11)

[Also DEA and DIPP]

HOME AFFAIRS

38. M/s G4S **Security Services** (India) Pvt. Ltd., Delhi & Haryana (No.62/2011-FC.I) (**Deferred in the FIPB Meeting held on 20.04.2011, 06.07.11, 05.08.11 and 02.09.11**)

[Also MEA, DEA and DIPP]

40. M/s BSI Blue Sky International Ltd., Mauritius (No.144/2011-FC.I) (Deferred in the FIPB Meeting held on 30.09.11)

[Also DEA, MEA and MHA]

41. M/s **Flemingo Dutyfree Shop** Pvt. Ltd. (No. FC.II: 394/2004) (Deferred in the FIPB Meeting held on 30.09.11 and 15.11.11)

[Also DoR(DGEP), DoR(CBEC), DoC and DEA]

POST

47. M/s Royale Asia Couriers Pvt. Ltd., Chennai (No.255/2010-FC.I) (Deferred in the FIPB **Meeting held on 15.02.11 and 11.03.11, 20.04.11**)

[Also MEA, MHA, DEA and DIPP]

TELECOMMUNICATIONS

49. M/s Cordia International Corp., USA (No.111/2011-FC.I) (**Deferred in the FIPB Meeting held on 06.07.11, 02.09.11 and 15.11.11**)

[Also DIT, MEA, MHA, DEA and DIPP]

50. M/s UT Starcom India Telecom Private Limited (No. FC.II: 112/2003) (**Deferred in the FIPB Meeting held on 11.03.11, 20.04.2011, 06.07.11 and 02.09.11**)

[Also DIPP, MI&B, MEA and DoC]

IV. REPRESENTATION AGAINST REJECTION:

CHEMICALS & PETROCHEMICALS

52. M/s Sabero Organics Gujarat Ltd., Mumbai (FC.I: 157/2011) (Rejected in the FIPB Meeting held on 30.09.11)

[Also D/Corporate Affairs, DEA and DIPP]

INFORMATION & BROADCASTING

53. M/s Fine Publishing India Pvt. Ltd., (FC.I: 105/2011) (Rejected in the FIPB Meeting held on 05.08.11)

[Also DEA and DIPP]

HOME AFFAIRS

54. M/s Verizon Communications India Pvt. Ltd., (FC.II: 39/2002)

[Also DoT]

TELECOMMUNICATIONS

55. M/s SDP Telecom (India) Pvt. Ltd., Kanchipuram (FC.I: 226/2011) (Rejected in the FIPB Meeting held on 15.02.11)²

[Also MEA, MHA, DEA and DIPP]

V. MISCELLANEOUS PROPOSAL:

56. M/s MNP Interconnection Telecom Solutions India Pvt. Ltd., (FC.II: 7/2009)

Listing profile of cases

FIPB meeting date	Fresh Cases	Amendmen t cases	Deferred cases	Representa tion	Total cases
23.12.2011	28	3	20	5	56
15.11.2011	27	9	10	2	48
30.09.2011	12	7	10	0	29
02.09.2011	12	6	16	1	35
05.08.2011	14	6	18	2	40
06.07.2011	23	10	17	5	55
20.05.2011	15	11	15	1	42
20.04.2011	23	4	19	2	48
11.03.2011	22	2	27	0	51
15.02.2011	26	10	15	3	54

F. No. 11(1)/2011-FIPB
Government of India
Ministry of Finance
Department of Economic Affairs
(FIPB Unit)

* * * * *

North Block, New Delhi – 110 001

Dated the **November 25, 2011**

PRESS RELEASE

Based on the recommendations of Foreign Investment Promotion Board (FIPB) in its meeting held on November 15, 2011, Government has approved 18 Proposals of Foreign Direct Investment amounting to ` 2126.20 crore approximately.

2. In addition, one proposal viz. (i) M/s Unitech Wireless (TN) Pvt. Ltd., amounting to ` 8250 crore, has been recommended for consideration of Cabinet Committee on Economic Affairs.

(Vijay Singh Chauhan)

Director (FIPB)

23094045

E-mail: chauhan@nic.in

To

The Additional Director General (M&C)

(Shri D.S. Malik)

Ministry of Finance

Copy to:

1. PPS to JS(I&I)
2. Facilitation Counter
3. DIPP (FDI – Data Unit)

Details of Proposals considered in the Foreign Investment Promotion Board (FIPB) Meeting held on 15.11.2011

Following 18 (Eighteen) proposals have been approved.

SI No.	Name of the applicant	Particulars of the proposal	FDI/NRI Inflow (` In crore)
<u>CORPORATE AFFAIRS</u>			
1	M/s Amar Remedies Ltd., Mumbai	To issue secured redeemable non-convertible debentures along with warrants to undertake the business of manufacturing and marketing of personal care and OTC products.	170.00
<u>ECONOMIC AFFAIRS</u>			
2	M/s VNR Infrastructures Limited, Hyderabad	Ex-post-facto approval for transfer of shares by way of share swap. The company is engaged in the business of infrastructure contracting activities.	No Fresh Inflow
<u>FINANCIAL SERVICES</u>			
6	M/s Grameen Financial Services Pvt. Ltd., Bangalore	Ex-post-facto approval for issuance of equity shares to the investor in lieu of dividend payout to the investor to carry out the business of providing credit/financing.	2.59

The following 16 (Sixteen) proposals have been deferred:

SI No.	Name of the applicant	Particulars of the proposal
1	M/s Unifior Vegetables LLP, Mumbai	Induction of foreign equity in LLP to carry out the business of Food Processing.
2	M/s Jalgaon Investments Pvt. Ltd., Mumbai	Ex-post-facto approval to act as an operating cum investing company.
3.	M/s CLSA Singapore Holdings Pte Ltd., Singapore/ M/s CLSA Limited, Hong Kong	Induction of foreign equity in an investing company to carry on the business of process outsourcing services for clients, both domestic and offshore.

The following 11 (Eleven) proposals have been rejected:

1	M/s Bharti Shipyard Ltd., Mumbai	To undertake additional activities of Defence Production.
2	M/s KSPG Automotive India Pvt. Ltd., Pune	To jointly hold with KOEL one preference share of KPL, which is not fully, compulsorily and mandatorily convertible.
3	M/s Astonfield Renewables Pvt. Ltd.	Ex-post-facto approval for the downstream investments made and to act as operating cum investing company. The company is engaged in the business of providing consultancy services and marketing research.

The following 2 (Two) proposals have been **withdrawn from the agenda:**

SI. No.	Name of the applicant
1	M/s Ventureast Trustee Co Pvt. Ltd. (No. FC.II: 160/2007)
2	M/s Karuturi Global Ltd., Bangalore

The following 01 (One) proposal has been recommended for the consideration of **CCEA, as the investment involved in the proposal is above **Rs. 1200.00 crore**:**

SI No.	Name of the applicant	Particulars of the proposal	FDI/NRI Inflow (` In crore)
1	M/s Unitech Wireless (TN) Pvt. Ltd.	Induction of foreign equity to carry out the business of providing unified access services.	8250.00

The following 01 (One) proposal has been recommended for the consideration on file after the receipt of inputs from concerned departments:

1	M/s Vodafone Essar Ltd.	Transfer of shares from Resident to NR to carry out the activities relating to Telecommunication.	2835.00
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FIPB meeting date	Press Release post FIPB meeting	Time gap - No. of days
23.12.2011		
15.11.2011	25.11.2011	10
30.09.2011	10.11.2011	10
02.09.2011	19.09.2011	17
05.08.2011	17.08.2011	12
06.07.2011	19.07.2011	13
20.05.2011	06.06.2011	17
20.04.2011	03.05.2011	13
11.03.2011	23.03.2011	12
15.02.2011	23.02.2011	8

Cases approved, rejected, deferred in each Meeting

FIPB meeting date	Total cases	Cases approved	Cases Deferred	Cases rejected	CCEA	Withdrawal/Automatic route
23.12.2011	56					
15.11.2011	48	18	16	11	1	2
30.09.2011	29	11	9	6	3	0
02.09.2011	35	12	15	7	0	1
05.08.2011	40	18	16	4	0	2
06.07.2011	55	31	18	3	0	3
20.05.2011	42	16	14	7	1	4
20.04.2011	48	21	17	9	0	1
11.03.2011	51	14	27	5	0	5
15.02.2011	54	19	21	9	3	2

By Speed Post/ Airmail

No. ___(2011)/ ___ (2011)
Government of India
Ministry of Finance
Department of Economic Affairs
FIPB
(FC Section)

North Block, New Delhi
Dated December ___, 2011

To,
M/s. ___,
C/o ___

Subject: Approval for foreign collaboration (Registration No. ___/2011 dated ___/2011)
Sir,

I am directed to refer to the above mentioned application and to convey approval of Government of India to your proposal subject to the following terms and conditions:

1.	Name and address of foreign collaborator/investor	(i) M/s. ___
	Name and address of the Indian Joint Venture partner Name and address of the implementing company	Not Applicable M/s. ___
2.	Item(s) of manufacture/ activity covered by the foreign collaboration	Investing company
3.	Location /Proposed Location	___

4. **Foreign Equity Participation**: upto 100 by way acquisition of equity shares of M/s. ___ Limited.

The **initial FDI inflow** by the foreign collaborator/investor would be upto ` ___ crore.

The consideration amount for the aforesaid investment will be **paid out of the inward remittance of foreign exchange** received through normal banking channels and as per RBI's Notification No. FEMA 20 /2000-RB dated 3rd May 2000 as amended from time to time.

5. The proposal is for **acquisition of equity shares** of M/s. ___ Limited from M/s. ___ Limited and other resident shareholders as a nominee of M/s. ___ Limited by foreign collaborators as mentioned in para 1 above and to infuse ` ___ crore (approx.) into M/s. ___ Limited for downstream investment in promoter group companies engaged primarily in the business of ___ and related activities.
6. The approval is **subject to paras 3.3.1, 3.6.1, and 3.10.4 of Circular 2 of 2011 the Consolidated FDI Policy** and compliance with Core Investments Company Regulatory framework of Reserve Bank of India.
7. **All remittances** by the foreign collaborator shall be made **as per the exchange rates prevailing on by day of remittance.**
8. The transfer/ issue/ **pricing** of the shares shall be as per RBI / SEBI guidelines as applicable.

9. The investee company shall **notify FIPB Unit, within 30 days of receipt of funds and/or allotment of shares** to Non-resident shareholders in the following circumstances:
 - (i) Where **there is an increase in the amount** of foreign equity without a change in the **foreign equity percentage approved**, as per clause 4 supra.
 - (ii) Where there is **an increase in the foreign equity percentage** beyond what is approved as **per clause 4 supra** and the activity is permissible on the automatic route under the extant FDI Policy.
10. The approval of FIPB shall be necessary in a case where the **Investing Company** intends to **increase the foreign equity beyond the percentage approved** as per clause 4 supra for an activity **which is on the approval route**.
11. In case the proposed activity is not exempted from the provisions of **Industrial (Development & Regulation) Act, 1951** and the **Foreign Exchange Management Act, 1999** a amended form time to time, it will be your responsibility to obtain such clearance as may be required under the said Acts.
12. The **location of the industrial project**, if any, will be subject to **Central or State Environmental laws** or regulations including local zoning and land use laws and regulations.
13. The investee company / **project shall comply** with all applicable **environmental laws and regulations** (including effluent and emission standards as may be prescribed by the State Government in which the investee company / project is located).
14. You shall ensure that your proposed investment approved vide this letter is in **compliance with Prevention of Money Laundering Act, 2002** as amended from time to time.
15. **Import of capital equipment** components and raw materials will be allowed as per the **EXIM policy** prevailing from time to time.

16. You may now proceed to **finalise the foreign collaboration agreement**. This **approval letter be made part of the said agreement** to be executed between the investee company and the foreign collaborator and only those provisions of the agreement which are covered by this letter or which are not in variance with the provisions of this letter shall be binding on the Government of India or Reserve Bank of India.
17. The agreement shall be subject **to Indian Laws**.
18. The **Administrative Ministry for this Project** is Department of Industrial Policy & Promotion.
19. **A copy of the foreign collaboration agreement**, signed by both parties shall be **furnished** to the following authorities:
 - i. **Reserve Bank of India / Authorized Dealer**
 - ii. **Administrative Ministry/Department** as mentioned above.
 - iii. **FIPB Unit, New Delhi**
 - iv. **Department of Scientific and Industrial Research, Technology Bhawan New Mehrauli Road, New Delhi.**
 - v. 20. You are requested to:
 - (i) **acknowledge and confirm the acceptance of the terms and conditions** mentioned in this letter immediately on receipt of this approval;
 - (ii) **furnish the information** as per the questionnaire on **1st January & 1st July every year** till the receipt of total approved foreign equity and commencement of commercial production to the Administrative Ministry/ies concerned and also to the FIPB Unit.

21. In case of **any problem** encountered during implementation of this foreign collaboration approval, you are advised to contact **Foreign Investment Implementation Authority (FILA)** at email address fia@ub.nic.in or write to Foreign Investment Implementation Authority, Department of Industrial Policy & Promotion, Ministry of Commerce and Industrial, Udyog Bhawan, New Delhi – 110011.
22. Any **non-compliance** with the approval letter shall be viewed strictly by the Government and the Government reserves the right to, at its sole discretion, revoke this approval or modify its terms and conditions and/or initiate action on account of such non-compliance.
23. All **future correspondence**/ intimation/ downstream investment notifications/ notifications for amendments/ changes in terms and conditions of the approval letter etc., if required, shall be addressed to the **FIPB Secretariat, Section Officer (FIPB-II)**, North Block, New Delhi – 110 001. Kindly quote the Approval Number in all correspondences.

Yours faithfully

Under Secretary to the Govt. of India.

SEAL OF THE MINISTRY

Post Approval Compliances

1. **Questionnaire** Linked to FC Approval
2. FIPB Form for **Amendment** (FIPB Approval) Cases
3. FIPB Application Form for Press Note 4 of 2009 – **Downstream investments** by foreign owned/controlled Indian companies
4. **Amendment Application** which are procedural in nature:
 - **Endorsing FC approval** in the name of the implementing company
 - **Change in name** of the company/Foreign collaborator.
 - Change of name due to **overseas acquisition**
 - **Issue/Increase/Decrease/Transfer of equity** under automatic route.
 - Induction of **new foreign collaborator(s)**
 - Taking note of the **increase in paid up capital** of the company
 - **Additional activities** under automatic route.



Thank You

Vijay Gupta

9810083373

vijay.gupta@vkgnassociates.com