

Foreign Investment Promotion Board

# *Review*

2011-2013



FIPB Secretariat  
Department of Economic Affairs  
Ministry of Finance  
Government of India

**Foreign Investment Promotion Board**

*Review*

**2011-2013**



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Published by  
FIPB Secretariat  
Department of Economic Affairs  
Ministry of Finance  
Government of India  
New Delhi-110001  
India  
[www.fipbindia.com](http://www.fipbindia.com)

Disclaimer: This review is based on proceedings of the FIPB. However, any decision reported in this Review or Policy position shall not have any legal binding. Reference has to be made to the individual proposal's formal communication and FDI Policy issued by DIPP. Errors and omissions, if any, may kindly be reported to the FIPB Secretariat.

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## FOREWORD

India's growth story attracted the attention of the world when the economy grew at an average of 8.8 per cent per annum during the period, 2004-05 to 2010-11, despite the global financial crisis. The persistence of the global slowdown finally impacted the Indian economy in 2011-12 (growth rate 6.2%) and in 2012-13 (growth rate 5%). The GDP slow-down has been controlled by measures taken by the Government and the growth in the previous financial year is expected to be around 5 percent.

Several measures have been taken to put the Indian economy on a sustainable growth path, ease supply constraints and improve the investment climate. The Foreign Investment Promotion Board (FIPB) is one such mechanism which ensures expeditious clearance of foreign investment proposals in the sectors which require Government approval. It was the baby of the economic liberalization initiative in India in the early 1990s and travelled from the Prime Minister's Office to the Department of Industrial Policy and Promotion (DIPP) before reaching the Department of Economic Affairs (DEA) in 2003.

The current FIPB review document is the fifth since 2007 and brings on record the performance of the FIPB during the calendar years 2011, 2012 and 2013. As is a tradition now, FIPB publishes this Review to promote transparency and objectivity. It is a public admission of our strengths, achievements and failures. It brings out a snapshot of how India is growing investor-friendly progressively and how destination India has featured on the map of investors across the globe.

The review also attempts to capture the policy changes during these three years. Keeping with the spirit of liberalization, the FDI policy is being rationalized in its scope as more and more sectors are being moved into the Automatic entry route. In a recent review of FDI policy, the Government has amended the sectoral caps and entry routes for foreign direct investment in a number of sectors including petroleum & natural gas, commodity exchanges, stock exchanges, depositories and clearing corporations, asset reconstruction companies, credit information companies, single and multi-brand product retail trading, telecom and courier services and defence. It is attracting higher levels of FDI already. Government is committed towards a further liberalized FDI policy in terms of opening restricted sectors and simplifying and easing the foreign investment regime.

I compliment the team of FIPB Secretariat for compiling this Review. I also thank the members of the FIPB for delivering the results this Review showcases.

(Dr. Arvind Mayaram)

23<sup>rd</sup> April, 2014



# Acknowledgement

The FIPB Review Document 2011-2013 is the fifth in the series, being published by the FIPB Secretariat. The present edition reviews the working of the FIPB during the calendar years of 2011, 2012 and 2013. The evolution of the FDI policy framework by Department of Industrial Policy and Promotion and the nuanced decision making through the decisions by the FIPB housed in the Department of Economic Affairs, conditioned by the economic realities is evident in the Review.

The FIPB decisions have attracted attention of public and stakeholders over the years. The FIPB with its constituent members has been constantly striving to improve its delivery mechanism. The FIPB Secretariat has worked hard to keep up with the workload, while also improving its delivery mechanism despite the ups and downs in staffing. I express my gratitude to all the members of this FIPB family. The FIPB organization is detailed at Para 1.11 of this review.

I am deeply grateful to Dr Arvind Mayaram, Secretary Economic Affairs and Dr K P Krishnan, Additional Secretary for entrusting me with this opportunity of taking the baton of FIPB Secretariat ahead. My heartfelt thanks to Shri Prabhat Kumar Mishra, Joint Secretary (Investments) for his valuable guidance in his usual calm and inspiring way. The contribution of Ms Sigy Thomas Vaidhyan in writing this report is immense. I sincerely thank Ms Vaidhyan, Shri Vijay Singh Chauhan and Shri P K Bagga without whose contributions, this report would not have been complete. I especially acknowledge the work and efforts of the two consultants in FIPB, Ms Namrata Mittal and Ms. Himani Goel, in the preparation of this Review document.

The Report is organized into five chapters. Chapter 1 covers the background and introduction to the FIPB. Chapter 2 'The Triennia' summarizes the performance of the FIPB during the calendar years 2011, 2012 and 2013 in statistical terms. Chapter 3 'Policy Implications- Key Decisions' covers various policy interpretations that go beyond the scope of FDI policy and some important decisions taken by FIPB in this regard. Chapter 4 'The Policy Pot' covers the policy changes during the triennia and finally the Chapter 5 is on the 'Conclusions'.

I hope the readers will find this Review useful and shall appreciate the sincere efforts of all who have contributed to this Review and more so to FIPB process and decisions.

Reetu Jain  
Director (FIPB & IC)





# Abbreviations

ADR	American Depository Receipt
CCEA	Cabinet Committee on Economic Affairs
CCRPS	Commutative Convertible Redeemable Preferential Shares
DIPP	Department of Industrial Policy and Promotion
DoC	Department of Commerce
DoR	Department of Revenue
DoT	Department of Telecommunication
ECB	External Commercial Borrowings
ED	Directorate of Enforcement
FCCB	Foreign Currency Convertible Bond
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999
FERA	Foreign Exchange Regulation Act, 1973
FII	Foreign Institutional Investor
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor
GDR	Global Depository Receipt
IPO	Initial Public Offer
JV	Joint Venture
KYC	Know Your Customer
MHA	Ministry of Home Affairs
MIB	Ministry of Information & Broadcasting
MoD	Ministry of Defence
MoIA	Ministry of Overseas Indian Affairs
MSME	Ministry of Micro, Small & Medium Enterprises
NBFC	Non-Banking Financial Company
NCRPS	Non-Convertible Redeemable Preferential Shares
NLEM	National List of Essential Medicines
NOC	No Objection Certificate
NR	Non Resident
NRI	Non Resident Indian
OCB	Overseas Corporate Bodies
OEM	Original Equipment Manufacturers
PAB	Project Approval Board

PCCPS	Partly Convertible Cumulative Preference Shares
PN	Press Note
PSRA	Private Security Agencies (Regulation), Act 2005.
RBI	Reserve Bank of India
SEBI	Securities Exchange Board of India
SME	Small & Medium Enterprise
SPV	Special Purpose Vehicle
VCF	Venture Capital Fund
WOS	Wholly Owned Subsidiary

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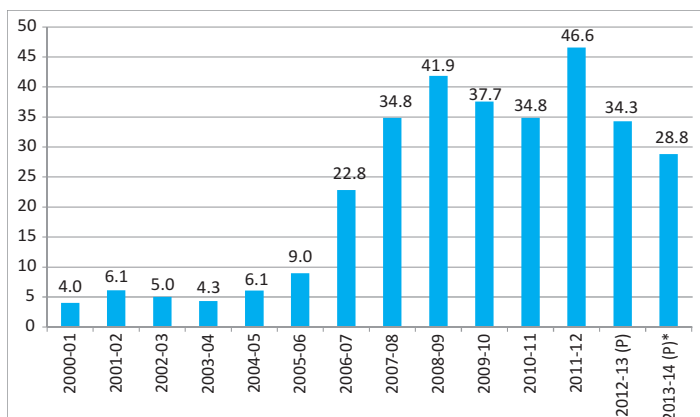
# Chapter 1

## 1. Introduction to FIPB

### Facts

- 1.1 The Foreign Direct Investment (FDI) into India, estimated as the sum total of equity inflows, reinvested earnings and other capital, was US\$ 46,556 million in the FY 2011-12 and was US\$ 34,298 million in the FY 2012-13. In FY 2013-14, the figure stands at US\$ 28,807 million for the period of April to January. (See Figure 1.1)

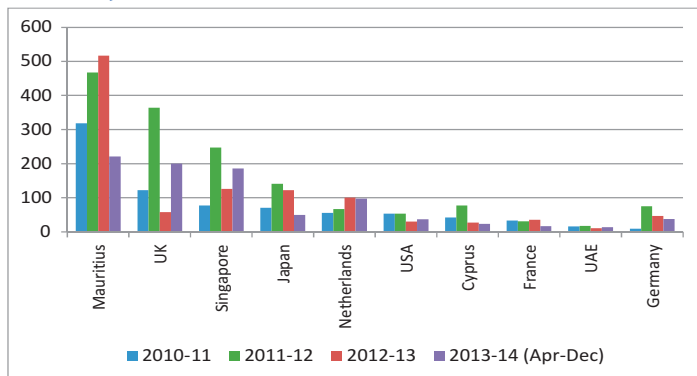
**Figure 1.1: FDI Inflows into India 2000-01 to 2013-14 (US\$ Billion)**



Source: RBI Bulletin, February 2014; \*data is for April-January; (P) stands for Provisional data.

- 1.2 The top five countries from which FDI comes into India are Mauritius, the UK, Singapore, Japan and the Netherlands (See Figure 1.2)

**Figure 1.2: FDI Inflows: country-wise break-up 2010-11 to 2013-14 (in Rs. Billion)**



Source: DIPP

- 1.3 In most sectors, FDI is permitted through Automatic entry route in India. As of 2013, roughly about 30% of this FDI inflow has been effected through the Government route (See Table 1.1).

The process of such Government approval consists of two steps: recommendation by the Foreign Investment Promotion Board (FIPB) and approval of the Finance Minister if the amount involved is less than or equal to Rs.1,200 crores and approval of the Cabinet Committee on Economic Affairs (CCEA) if the amount involved is more than Rs.1,200 crores.

Table 1.1: FDI Inflow through FIPB as a percent of Gross FDI Inflows			
Period (Jan- Dec)	FDI Inflow through FIPB (Rs. Crore)	Gross FDI Inflows (Rs. Crore)*	FDI Inflow through FIPB (% Gross FDI Inflows)
2011	40,587	199,152	20.4
2012	17,457	181,989	9.6
2013*	60,326	198,573	30.4

Source: The FIPB Secretariat, RBI DBIE, \*Conversion is 1US\$= 46.7 for 2011, 1US\$ = 53.5 in 2012, 1US\$= 58.6 in 2013 (from RBI)

## Background of the FIPB

- 1.4 The Foreign Investment Promotion Board (FIPB), housed in the Department of Economic Affairs, Ministry of Finance, is an inter-ministerial body, responsible for processing of FDI proposals and making recommendations for Government approval. The extant FDI Policy, Press Notes and other related notified guidelines formulated by Department of Industrial Policy and Promotion (DIPP) in the Ministry of Commerce and Industry are the bases of the FIPB decisions. In the process of making recommendations, the FIPB provides significant inputs for FDI policy-making.
- 1.5 **Approvals under PMO:** The FIPB was initially constituted under the Prime Minister's Office (PMO) in the wake of the economic liberalization drive of the early 1990s. The recommendations of the FIPB were approved through a 3-tier approval mechanism, viz. FIPB as a committee of senior officials to examine and make recommendations; Empowered Committee on Foreign Investment (ECFI) chaired by the Finance Minister for deciding on the recommendations of the FIPB for projects in which the total investment in the project was up to Rs. 300 crore; and the Cabinet Committee on Foreign Investment (CCFI) for deciding on the recommendations of the FIPB for projects in which the total investment was more than Rs. 300 crore.
- 1.6 **Transfer to DIPP in 1996:** The Board was reconstituted in 1996 with transfer of the FIPB to DIPP and approval levels were as under:
  - (i) Recommendations of FIPB in respect of the project proposals each involving a total investment of Rs.600 crore or less would be considered and approved by the Industry Minister.
  - (ii) The recommendations in respect of the projects each with a total investment of above Rs. 600 crore would be submitted to the Cabinet Committee on Foreign Investment (CCFI) for decision.
  - (iii) The CCFI would also consider the proposals which may be referred to it or which had been

rejected by the Industry Minister. According to Press Note 7 of 1999, there would be no need for obtaining prior approval of FIPB / Government for increase in the amount of foreign equity within the percentage of foreign equity already approved in all cases in which the original project cost was up to Rs. 600 crore. Any company could infuse additional funds by way of foreign equity as a result of financial restructuring (provided there is no change in the percentage of foreign equity) and notify the same to the Secretariat of Industrial Assistance (SIA) within thirty days of receipt of funds as also allotment of shares to non resident shareholders. This procedure, however, did not apply in cases of increase in the percentage of foreign equity as also where initial approval was granted by CCFI. Such cases required prior approval of the FIPB / Government as per the existing procedure.

- 1.7 **Transfer to DEA in 2003:** The FIPB was transferred to the Department of Economic Affairs (DEA), Ministry of Finance by the Presidential Order dated 30.01.2003. The levels of approval, notified vide order dated 11.07.1996 were essentially retained, except to the extent that recommendations of FIPB for project-proposals involving a total investment of less than Rs. 600 crore were considered and approved by the Finance Minister and those with a total investment beyond Rs. 600 crore were submitted to the CCEA for decision. The threshold limit for investment in proposals that require approval of the CCEA has been subsequently raised to Rs. 1,200 crore in 2010.

### Composition of the FIPB

- 1.8 **Composition of the Board:** The permanent members of the Board are the following Secretaries to the Government of India:
- Secretary, DEA, Ministry of Finance (Chairman)
  - Secretary DIPP, Ministry of Commerce and Industry
  - Secretary, Department of Commerce (DoC), Ministry of Commerce and Industry
  - Secretary (Economic Relations), Ministry of External Affairs (MEA)
  - Secretary, Ministry of Overseas Indian Affairs (MOIA)
  - Secretary, Department of Revenue (DoR), Ministry of Finance (co-opted permanently)
  - Secretary, Ministry of Small and Medium & Micro Enterprises (co-opted permanently)
- 1.9 The Board has the discretion to co-opt other Secretaries to the Government of India and officers of financial institutions, banks and professional experts in industry and commerce, in case it feels the need to do so. The Secretary, Ministry of Small, Medium and Micro enterprises and the Secretary, Department of Revenue have already been co-opted on the Board.

### Report on the functioning of the FIPB

- 1.10 The convention of undertaking a review of the performance of the FIPB and bringing the results into public domain started seven years back. The first report was brought out in November 2007, covering the period February 2003 to September 2007. The second, third and fourth reviews were for the calendar years 2008, 2009 and 2010 respectively. Due to certain reasons, the annual reports could not be brought out in 2011 and 2012. Therefore, the performance of FIPB during the calendar years 2011, 2012 and 2013 is being covered in the current triennial report.
- 1.11 The ministers and officials involved with the FIPB process in the years 2011, 2012 and 2013 are listed in Table 1.2.



<b>Table 1.2: The FIPB Team</b>			
<b>Designation</b>	<b>Year 2011</b>	<b>Year 2012</b>	<b>Year 2013</b>
Finance Minister	Shri Pranab Mukherjee	1. Shri Pranab Mukherjee (upto 26.06.2012) 2. Dr. Manmohan Singh (26.06.12 to 31.07.12) 3. Shri P. Chidambaram (since 31.07.12)	Shri P. Chidambaram (Till date)
Secretary (DEA)	Shri R. Gopalan	1. Shri R. Gopalan (upto 31.07.12) 2. Dr. Arvind Mayaram (from 01.08.12)	Dr. Arvind Mayaram (Till date)
Additional Secretary (DEA)	Shri Bimal Julka	1. Shri Bimal Julka (upto April, 2012) 2. Shri Shaktikanta Das (from May 2012)	1. Shri Shaktikanta Das (upto 12.07.13) 2. Dr. K.P. Krishnan (from 13.07.13 till date)
Joint Secretary	Shri Rajesh Khullar	1. Shri Rajesh Khullar (upto August 2012) 2. Shri Prabodh Saxena (from August 2012 to Oct 2012) 3. Ms. Sharmila Chavaly (from Oct 2012 to Dec 2012) 4. Shri P.K. Mishra (from Oct 2012)	Shri P.K. Mishra (Till date)
Director/Deputy Secretary	Shri Vijay Singh Chauhan	1. Shri Vijay Singh Chauhan (upto Sep, 2012) 2. Ms. Sigy Thomas Vaidhyan (from 26.12.2012)	1. Ms. Sigy Thomas Vaidhyan (from 26.12.2012 to 12.12.2013) 2. Ms. Reetu Jain (from 13.12.13 till date)
Officer on Special Duty	Shri P.K. Bagga	Shri P.K. Bagga	Shri P.K. Bagga
Under Secretary	Shri A.K. Srivastava	1. Shri A.K. Srivastava (upto Jan 2012) 2. Shri B.D. Barua (from Jan 2012)	1. Shri B.D. Barua (Till Dec 2013) 2. Shri Anant Kumar (from Dec 2013- till date)
Section Officer FC-I	Shri Vijay Kumar	Shri Vijay Kumar	1. Shri Vijay Kumar (Till Dec 2013) 2. Shri Pankaj Saurabh (from Dec 2013 till date)
Section Officer FC-II	Shri Bhaskar Chakravarti	Shri Bhaskar Chakravarti	1. Shri Bhaskar Chakravarti (upto March 2013) 2. Shri MLN Shastri (from Sep 2013 till date)
Staff in FC-I	1. Shri D.N.K. Kutumba Rao, Assistant 2. Shri Mohan Lal, Assistant 3. Ms. Shilpi Bhatia, Financial Analyst 4. Ms. Payal Dey, Financial Analyst	1. Shri D.N.K. Kutumba Rao, Assistant 2. Shri Mohan Lal, Assistant 3. Shri. Ramniwas, Assistant (from April 2012) 3. Ms. Shilpi Bhatia, Financial Analyst 4. Shri. Ashish Miglani, Financial Analyst (from May 2012)	1. Shri D.N.K. Kutumba Rao, Assistant (upto Sep 2013) 2. Shri Mohan Lal, Assistant (Retired on 31.08.2013 and Re-appointed as Consultant on 26.09.2013) 3. Shri Ram Niwas, Assistant 4. Ms. Shilpi Bhatia, Financial Analyst (upto Nov 2013) 5. Shri Ashish Miglani, Financial Analyst (upto Nov 2013) 6. Ms. Himani Goyal, Consultant (from Sep 2013-till date) 7. Ms. Namrata Mittal, Consultant (from Nov 2013-till date)
Staff in FC-II	1. Shri. Lala Ram Sharma, Assistant 2. Shri. M.M. Bhardwaj, Assistant	1. Shri Lala Ram Sharma, Assistant 2. Shri. M.M. Bhardwaj, Assistant	1. Shri Lala Ram Sharma, Assistant 2. Shri M.M. Bhardwaj, Assistant (upto Feb 2013) 3. Shri SC Mehta, Consultant (Feb 2013-Jul 2013) 4. Shri Leela Kishan, Assistant (Mar 2013 to Sep 2013) 5. Shri Madhusudhanan G, Consultant (from Dec 2013-till date)
Facilitation Counter	1. Shri Raju Naager, UDC	1. Shri Raju Naager, UDC	1. Ms Bahamani Kachhap (S.O. Sep 2103- Dec 2013) 2. Shri Raju Naager, UDC

\*\*\*\*\*

# Chapter 2

## 2. The Triennia

### The FIPB performance in figures

2.1 The Table 2.1 provides details of the proposals considered by the FIPB and recommended for approval of the competent authority during the period from February 2003 to December 2013.

<b>Table 2.1: Proposals considered by FIPB from February 2003 to December 2013</b>				
Period	No. of Meetings Held	No. of Proposals Considered	Proposals Approved	FDI inflows ( in Rs. crore)
February, 2003 to March, 2003	5	183	110	718
April, 2003 to March, 2004	34	1191	875	7492
April, 2004 to March, 2005	23	921	728	13,723
April, 2005 to March, 2006	15	616	473	12,316
April, 2006 to March, 2007	18	422	336	39,612
April, 2007 to September, 2007 (Period Covered in Review 1)	11	229	158	9,241
October, 2007 to December, 2007 (Period not Covered in Review 1)	5	128	83	3,271
January, 2008 to December, 2008 (Period Covered in Review III)	19	607	408	67,924
January, 2009 to December, 2009 (Period Covered in Review III)	18	566	300	40,412
January, 2010 to December, 2010 (Period Covered in Review IV)	14	502	212	28,037
<b>The Triennia: Proposals considered by FIPB from January 2011 to December 2013</b>				
January, 2011 to December, 2011	10	459	189	40,587
January, 2012 to December, 2012	13	484	199	17,457
January, 2013 to December, 2013	15	390	198	60,326

Source: FIPB Secretariat

**2.2 January 2011-December 2011:** The Table 2.2 provides the statistical details of the proposals brought before the FIPB from January 2011 to December 2011.

Table 2.2: Summary of cases considered by the FIPB in 2011										
FIPB Meeting No. in 2011	Date of Meeting	Approved#	Rejected	Noted/ Advised	Total finally disposed	Withdrawn drawn	Deferred	Total Proposals@	Percentage totally disposed off	FDI inflow approved in Rs. crore
163	15.02.11	22	9	1	32	1	21	54	59%	11,078.07
164	11.03.11	14	5	0	19	5	27	51	37%	1,289.86
165	20.04.11	21	9	0	30	1	17	48	63%	1,027.20
166	20.05.11	17	7	0	24	4	14	42	57%	2,348.72
167	06.07.11	31	3	2	36	1	18	55	65%	3,844.70
168	05.08.11	18	4	1	23	1	16	40	58%	122.79
169	02.09.11	13	7	0	20	1	15	36	56%	242.88
170	30.09.11	14	6	0	20	0	9	29	69%	8,321.19
171	15.11.11	19	11	0	30	2	16	48	63%	10,376.20
172	23.12.11	20	10	2	32	1	23	56	57%	1,935.24
Total	10	189	71	6	266	17	176	459	58%	40,586.85

Source: FIPB Secretariat; # The approved cases also include CCEA cases; @ The total number of proposals considered includes some proposals being counted more than once, as a deferred proposal may be included in the number of proposals under consideration in the subsequent meetings and a proposal may be deferred on more than one occasion.

**2.3 January 2012-December 2012:** The Table 2.3 provides the statistical details of the proposals brought before the FIPB from January 2012 to December 2012.

Table 2.3: Summary of cases considered by the FIPB in 2012										
FIPB Meeting No. in 2012	Date of Meeting	Approved*	Rejected	Noted/ Advised	Total finally disposed	Withdrawn drawn	Deferred	Total Proposals@	Percentage totally disposed off	FDI inflow approved in Rs. crore
173	20.01.12	20	2	0	22	1	15	38	58%	1,034.37
174	02.03.12	16	8	2	26	4	21	51	51%	232.67
175	30.03.12	22	5	0	27	1	18	46	59%	586.14
176	09.05.12	25	8	3	36	2	13	51	71%	2,973.40
177	01.06.12	9	8	5	22	2	8	32	69%	2,100.01
178	29.06.12	14	7	3	24	3	15	42	57%	1,525.61
179	27.07.12	11	5	1	17	1	14	32	53%	2,067.98
180	24.08.12	21	12	2	35	2	11	48	73%	2,410.00
181	18.09.12	14	7	0	21	0	9	30	70%	113.35
182	19.10.12	13	12	1	26	0	25	51	51%	734.38
183	20.11.12	12	3	1	16	1	10	27	59%	802.07
184	21.12.12	18	3	0	21	1	7	29	72%	1,590.60
185	31.12.12	4	0	2	6	1	0	7	86%	1,286.75
Total	13	199	80	20	299	19	166	484	62%	17,457.33

Source: FIPB Secretariat; # The approved cases also include CCEA cases; @ The total number of proposals considered includes some proposals being counted more than once, as a deferred proposal may be included in the number of proposals under consideration in the subsequent meetings and a proposal may be deferred on more than one occasion.

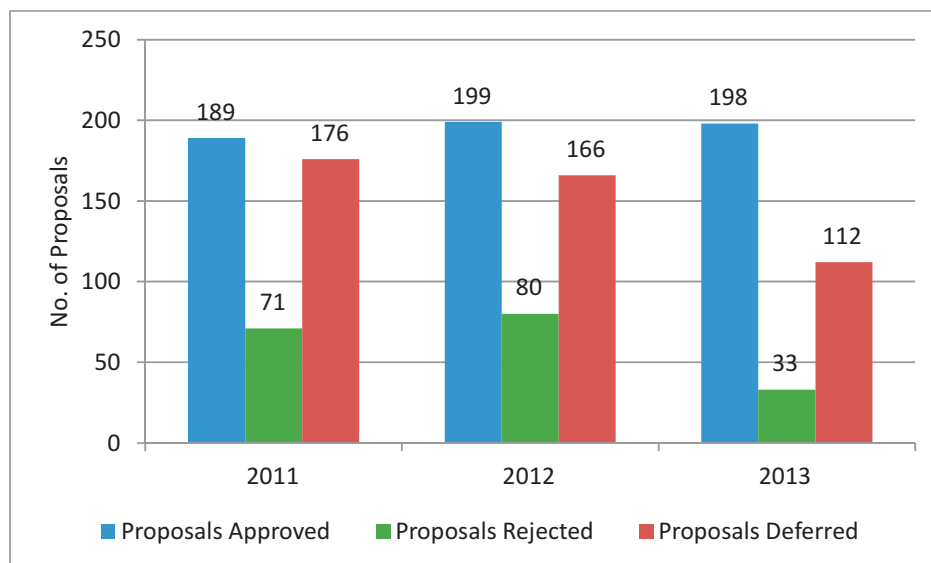
**2.4 January 2013-December 2013:** The Table 2.4 provides the statistical details of the proposals brought before the FIPB from January 2013 to December 2013.

FIPB Meeting No. in 2013	Date of Meeting	Approved <sup>#</sup>	Rejected	Noted/ Advised	Total finally disposed	Withdrawn	Deferred	Total Proposals @	Percentage totally disposed off	FDI inflow approved in ` crore
186	21.01.13	10	2	0	12	5	11	28	43%	11,640.14
187	13.02.13	12	1	0	13	0	9	22	59%	2,609.27
188	06.03.13	9	1	3	13	2	9	24	54%	3,472.10
189	13.03.13	17	1	1	19	2	7	28	68%	262.56
190	12.04.13	9	3	1	13	0	9	22	59%	703.23
191	10.05.13	17	0	2	19	0	8	27	70%	1,646.88
192	14.06.13	10	6	3	19	1	10	30	63%	1,311.54
193	05.07.13	15	3	3	21	3	8	32	66%	381.48
194	29.07.13	19	5	0	24	0	8	32	75%	3,050.28
195	27.08.13	18	3	4	25	2	10	37	68%	12,700.41
196	19.09.13	16	2	3	21	0	10	31	68%	7,622.14
197	24.10.13	22	2	3	27	0	3	30	90%	2,315.83
198	13.11.13	12	4	0	16	2	5	23	70%	821.63
199	09.12.13	4	0	1	5	3	2	10	50%	502.00
200	30.12.13	8	0	0	8	3	3	14	57%	11,286.71
Total	15	198	33	24	255	23	112	390	65%	60,326.20

Source: FIPB Secretariat; <sup>#</sup> The approved cases also include CCEA cases; <sup>@</sup> The total number of proposals considered includes some proposals being counted more than once, as a deferred proposal may be included in the number of proposals under consideration in the subsequent meetings and a proposal may be deferred on more than one occasion.

## Consideration of proposals by the FIPB

**Figure 2.1: Proposals approved/ rejected/ deferred**



Source: FIPB Secretariat

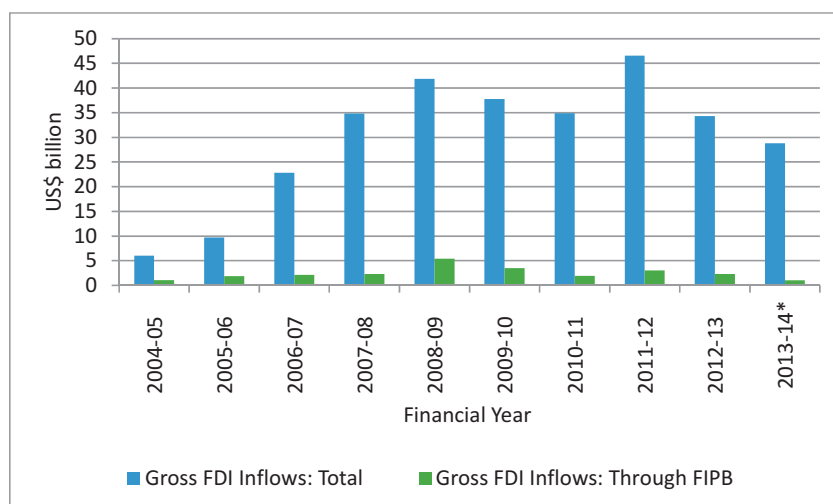
- 2.4 The number of proposals considered fell from 502 in 2010 to 459 in 2011, rose to 484 in 2012 and fell sharply to 390 in 2013. This was due to a conscious decision to increase the quality of FIPB decisions. The corollary was that there had to be more number of meetings so that the proposals get considered within the stipulated time period of six weeks, except in cases where security clearance was involved. Despite the fall in the total number of proposals considered, the number of approvals remained more or less even with figures reading as 212 in 2010, 189 in 2011, 199 in 2012 and 198 in 2013 (See Figure 2.1).

### **FDI inflow through the FIPB mirrors the aggregate FDI inflow into India and gives a snapshot of the unique “India story”**

- 2.5 The aggregate FDI figures (Figure 1.1) have been placed in juxtaposition with the FDI inflow through FIPB, i.e., Government approval route (Figure 2.2). This is to enable a comparison across same time periods. There is a theory that the FDI inflow into India is counter-cyclical internationally. This means that FDI could be footloose and would return to OECD countries once growth picks up there or in other words, FDI coming into the developing world when recession sets in the first world, is disguised Foreign Institutional Investment (FII). However Figures 2.2 shows the trend of rising FDI till 2008 and a slow falling trend afterward till mid-2012. Thereafter there is a rise.
- 2.6 India's attractiveness on its own merits was announced by the startling growth rate of 9.3% in the year just next to 2009, the year of the global meltdown. From being a minor player in global FDI environment in 2000, India was the world's thirteenth largest FDI host country 2009. It is also the global top third most preferred investment destination since 2010.

Notable liberalizations in FDI policy and in several economic sectors, a globally competitive workforce, a rapid GDP growth rate and rapidly growing market are the main drivers of foreign investment in India. All these are reasons enough to allay fears that the FDI inflow would be reversed with the lifting of Quantitative Easing measures in the USA.

**Figure 2.2: FDI Inflows through the FIPB vs. Total Gross FDI Inflows in India (in US\$ Billion)**

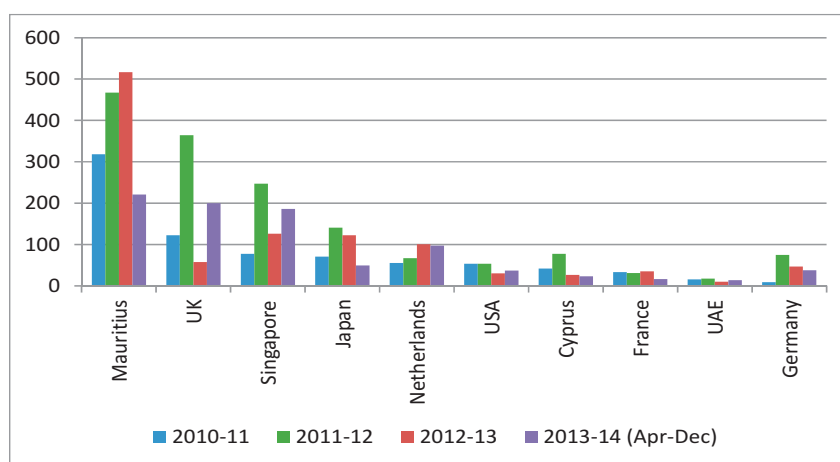


Source: RBI DBIE; \* data from April 2013 to January 2014

### Sources of FDI in India through the FIPB

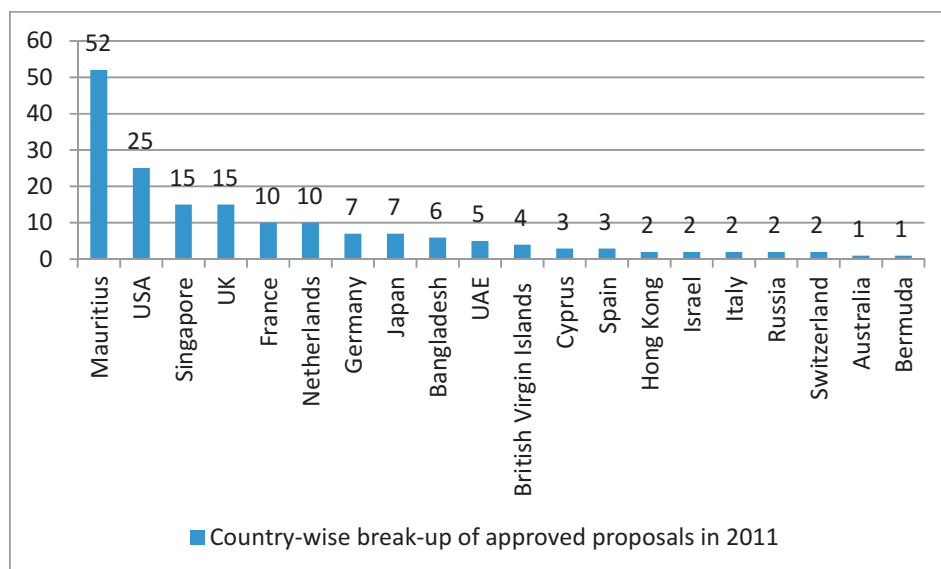
2.7 Mauritius, Singapore, USA, Japan, UK and the Netherlands remain the top sources of FDI into India. The year on year performance of the top 10 sources are given in Figure 2.3. The details of the top 20 countries for each year are given in Figures 2.4, 2.5 and 2.6.

**Figure 2.3: FDI Inflows: country-wise break-up 2010-11 to 2013-14 (in Rs. Billion)**



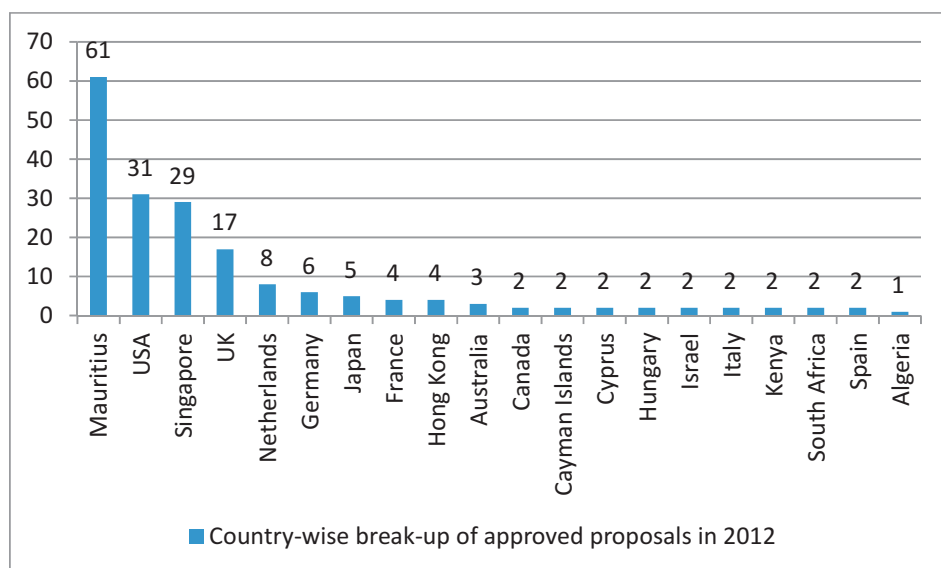
Source: DIPP

**Figure 2.4: Country-wise break-up of the no. of approved FIPB proposals in 2011 (top 20 nations)\***



Source: FIPB Secretariat. \*There are more countries having single proposal of investment through FIPB route.

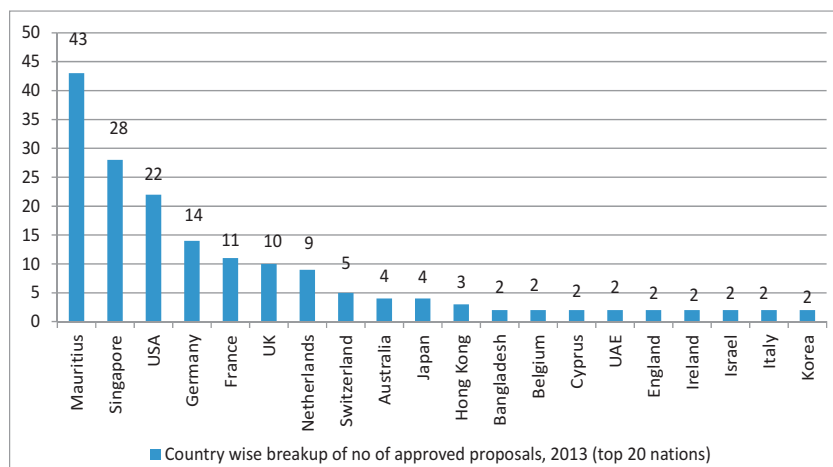
**Figure 2.5: Country-wise break-up of the no. of approved FIPB proposals in 2012 (top 20 nations)\***



Source: FIPB Secretariat. \*There are more countries having single proposal of investment through FIPB route.



**Figure 2.6: Country-wise break-up of the no. of approved FIPB proposals in 2013 (top 20 nations)**

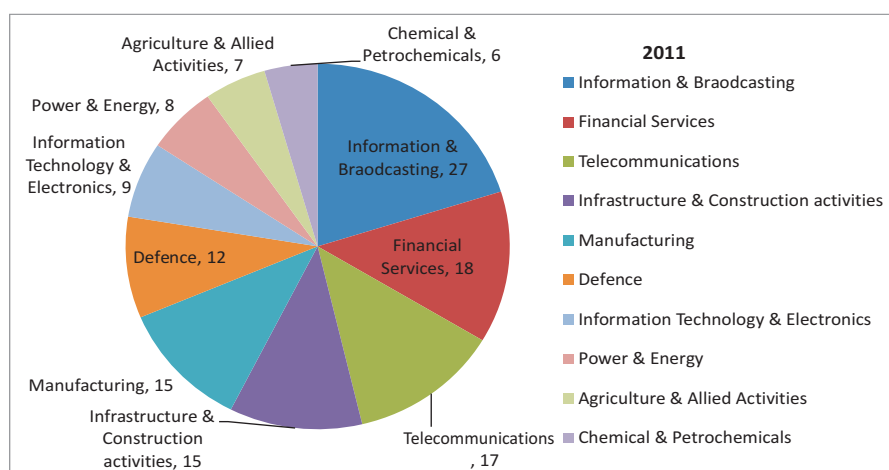


Source: FIPB Secretariat

### Sector-Wise analysis of FDI in India through the FIPB

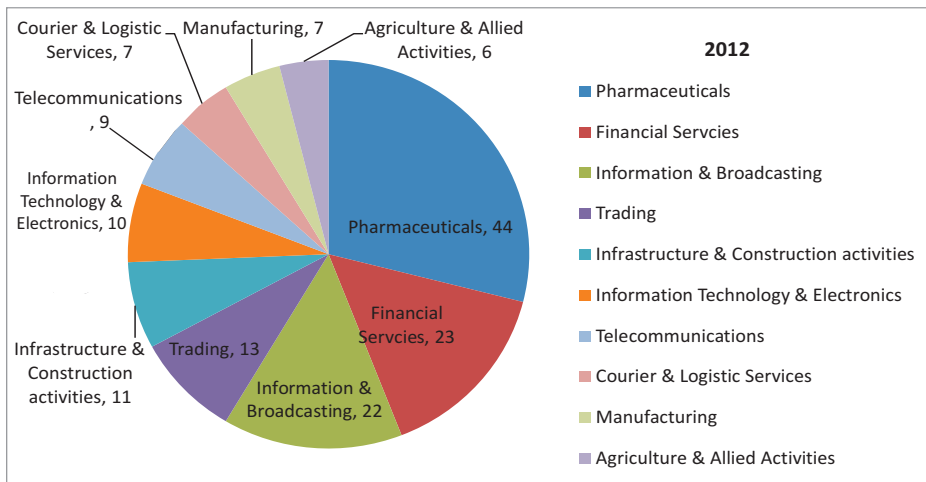
2.8 While many sectors have been opened to Automatic route over the past decade, there are still some sensitive sectors which have to go through Government approval for getting in FDI. Besides, there are certain cases like in the case of issue of share warrants, partly paid shares or investment in LLP, which requires Government approval irrespective of the sector where FDI is coming in. Out of the Government approved proposals, Information & Broadcasting, Agriculture and Allied activities, Financial Services, Infrastructure & Construction activities & and Telecommunications have occupied the top slots in the number of FIPB proposals during 2011-13. See Figures 2.7, 2.8 and 2.9.

**Figure 2.7: Sector-wise break-up of the no. of approved FIPB proposals in 2011 (Top 10)**



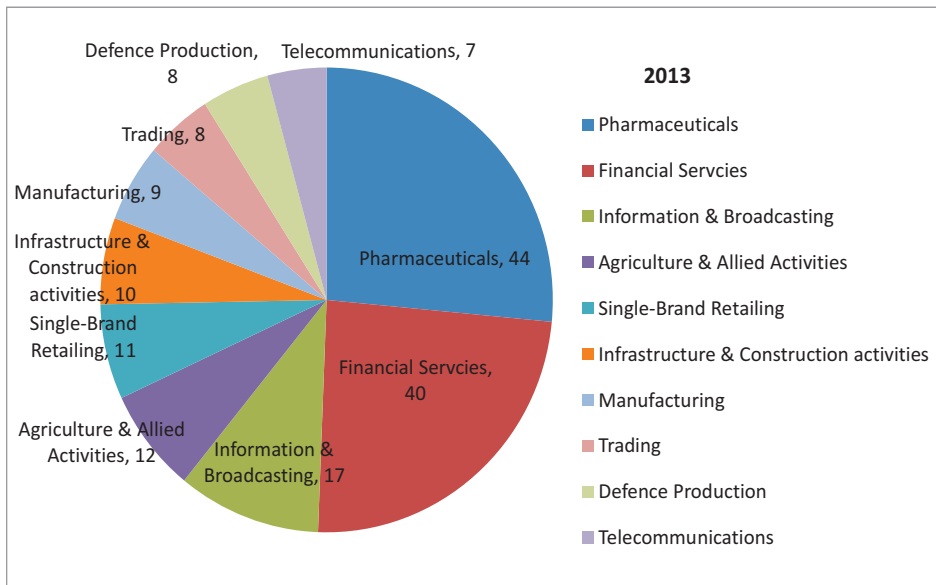
Source: FIPB Secretariat

**Figure 2.8: Sector-wise break-up of the no. of approved FIPB proposals in 2012 (Top 10)**



Source: FIPB Secretariat

**Figure 2.9: Sector-wise break-up of the no. of approved FIPB proposals in 2013 (Top 10)**



Source: FIPB Secretariat

- 2.9 From the graph above, we can see a sharp jump in the FDI approvals from Financial Services (40 in 2013 vs. 23 in 2012 vs. 18 in 2011). One prime reason for this has been the introduction of White Label ATMs as a financial sector activity (see Chapter 3-3.19 for more details).

Single Brand retail trading proposals also made their presence felt through numbers in 2013. A sector-wise list of the proposals approved during the calendar years 2011, 2012 and 2013 is detailed at Appendix.

### Consideration of the FIPB proposals by the CCEA

- 2.10 During the year 2010, the Cabinet Committee on Economic Affairs (CCEA) decided that only proposals involving total foreign equity inflow of over Rs.1,200 crore, as against the earlier limit of project cash of Rs.600 crore, need to be placed for its consideration. Consequently in 2011, 8 proposals involving FDI inflow of Rs. 27,533.4 crores were approved by the CCEA. The details are given in Table 2.5.

**Table 2.5: Details of CCEA proposals approved during 2011**

S. No.	Meeting No.	Meeting Date	Name	Amount (in Rs.Crore)
1	163 <sup>rd</sup>	15.02.11	M/s Reckitt Benckiser Plc., UK	3,300.00
2	163 <sup>rd</sup>	15.02.11	M/s Hero Investments Private Limited, Punjab,	4,500.00
3	163 <sup>rd</sup>	15.02.11	M/s GMR Airports Holding Ltd.	1,920.00
4	166 <sup>th</sup>	20.05.11	M/s Cals Refineries Ltd., Delhi & Haryana	1,425.00
5	170 <sup>th</sup>	30.09.11	M/s Energy Grid Automation Transformers	2,000.00
6	170 <sup>th</sup>	30.09.11	M/s Grid Equipments Limited, Gurgaon	4,500.00
7	170 <sup>th</sup>	30.09.11	M/s Walt Disney Company (Southeast) Asia	1,638.40
8	171 <sup>st</sup>	15.11.11	M/s Unitech Wireless (TN) Pvt. Ltd.	8,250.00
			<b>Total amount</b>	<b>27,533.40</b>

Source: FIPB Secretariat

- 2.11 In 2012, 1 proposal involving FDI inflow of Rs. 2,000 crores was approved by the CCEA. The details are given in Table 2.6.

**Table 2.6: Details of CCEA proposals approved during 2012**

S. No.	Meeting No.	Meeting Date	Name	Amount (in Rs.Crore)
1	177 <sup>th</sup>	01.06.12	M/s Shriram Financial Ventures (Chennai) Pvt.	2,000.00
			<b>Total amount</b>	<b>2,000.00</b>

Source: FIPB Secretariat

- 2.12 In 2013, 8 proposals involving FDI inflow of Rs. 43,682 crores were approved by the CCEA. The details are given in Table 2.7.

**Table 2.7: Details of CCEA proposals approved during 2013**

S. No.	Meeting No.	Meeting Date	Name	Amount (in Rs Crore)
1	186 <sup>th</sup>	21.01.13	M/s Ingka Holding Overseas B.V.	10,500.00
2	188 <sup>th</sup>	06.03.13	M/s Yes Bank Limited, Mumbai	2,650.00
3	194 <sup>th</sup>	29.07.13	M/s Jet Airways India Ltd.	2,057.66
4	195 <sup>th</sup>	27.08.13	M/s IDFC Trustee Company Ltd. As Proposed	5,500.00
5	195 <sup>th</sup>	27.08.13	M/s Mylan Inc. USA	5,168.00
6	196 <sup>th</sup>	19.09.13	M/s Axis Bank Limited, Ahmedabad	6,265.76
7	197 <sup>th</sup>	24.10.13	The Federal Bank Ltd., Kerala	1,400.00
8	200 <sup>th</sup>	30.12.13	M/s CGP India Investments Ltd.	10,141.00
			<b>Total amount</b>	<b>43,682.42</b>

Source: FIPB Secretariat

- 2.13 On the whole, the performance of FIPB during 2011, 2012 and 2013 was in keeping with the objectives of transparency, quality and speed and improving all these attributes progressively through the triennia.

\*\*\*\*\*

# Chapter 3

## 3. Policy Implications- Key Decisions

The FIPB has always taken a proactive and constructive approach to facilitate foreign investment in the country while implementing the FDI policy and take decisions in consultations with its members on the issues where the policy is silent. Such an approach is consistent with its role as a Board tasked with promotion of investment. During the period under review, the FIPB was required to decide on many proposals which threw up new issues. Some of these are illustrated below.

### 3.1 Conditions relating to FDI in the LLPs

Limited Liability Partnership [LLP] is viewed as an alternative corporate business vehicle that provides the benefits of the limited liability but allows its members the flexibility of organizing their internal structure as a partnership based on a mutually arrived agreement. As per Para 3.2.5 of the Circular 1 of the Consolidated FDI Policy 2013, certain conditions need to be met for foreign investment in LLPs. FIPB through its various decisions has reiterated that the proposal can only be approved after meeting the requirements as laid down in the FDI Policy.

#### Cases approved/rejected:

(i) **M/s Tocheunglee Stationery Manufacturing Company Pvt. Ltd.**, Tiruvallur Induction of foreign investment in an LLP to carry out the business of manufacturing of Nickel Plating/ Phosphating Treatment/ Metal Finishing/other related plating process for the components related to manufacture of Lever Arch Mechanisms, Loose Leaf Ring Metal/Metal Binders, etc. The proposal was rejected in 180<sup>th</sup> meeting on the ground that the proposal under consideration entails contribution to the capital of LLP from internal accruals of foreign owned Indian company, which appears to be prima facie, inconsistent with conditions under which investment in LLPs would be allowed. The applicant had re-written to FIPB requesting for re-consideration of the proposal on the basis that they will invest fresh funds into the investee company through normal banking channels and the proceeds from such capital investment would be used for making downstream investments in the LLP. The proposal was subsequently approved in 187<sup>th</sup> FIPB meeting.

(ii) **Ms. Sonia Sharma and Mr. Harish Kumar Sharma** had sought an approval for induction of foreign capital contribution in the proposed LLP. This proposal was the first case considered by the FIPB in which the entire equity in the LLP was proposed to be non-repatriable. If it were the case of a company or a partnership, the proposal would not require any approval. The proposal had come to the FIPB only because the FDI Policy is silent on whether such LLP with non-repatriable foreign investment can come in through the Automatic route or not. 189<sup>th</sup> FIPB meeting recommended the proposal for approval subject to conditions laid down for investment in LLP.

### 3.2 Limited Liability Partnership: Designated Partners contribution to the capital and voting rights

LLPs in India need to have at least two "designated partners" who are responsible for compliance with the provisions of LLP Act and at least one of them shall be "resident in India". In case one or more of the partners of a LLP are bodies corporate, then at least two individuals who are partners of

such LLP or nominees of such bodies corporate shall act as "designated partners". The existing clause in the FDI policy is worded differently.

During deliberation, it was decided that the designated partners should also have a contribution to the capital of LLP and pro-rata voting rights and this should be made as a condition.

#### **Cases approved/rejected:**

**(i) M/s WJ Towell & Company LLC**, Oman had sought an approval to set up an LLP to carry out the business of design, fabrication, supply & installation of steel structures, welded beams, pressure vessels, tanks pressure piping, etc. Initially the proposal lacked support as the designated partners had no share in the capital of the LLP. He did not have any voting rights as per the LLP agreement since he was not contributing to the capital of the LLP. However, later the communication was received from the applicant that the nominated designated partners in the proposed LLP- will also be partners to the LLP – contributing to the capital of LLP and having pro-rata voting rights. They had modified their LLP agreement subsequent to which the proposal was approved in 183<sup>rd</sup> meeting.

### **3.3 Alternate Investment Fund- category I and II and existing Venture Capital Funds**

The extant FDI policy only covers Venture Capital Funds (VCFs) and does not refer to Alternate Investment Funds (AIFs). As per the extant FDI Policy, if a Domestic Venture Capital Fund is set up as a trust, a person resident outside India (non-resident entity/ individual including an NRI) can invest in such domestic VCF subject to approval of the FIPB.

However, it has been observed that AIFs have been set up under a separate regulation and the AIF regulations have replaced the VCF regulations. FIPB has deliberated at length on this matter. As such, it is necessary that FDI policy should take specific cognizance of the AIF regulations. However, till the time FDI policy is amended to reflect the same, FIPB has approved investments in AIFs subject to the following conditions:

(a) AIFs should comply with conditions laid down in Para 3.1.6, 3.2.3, 3.2.4 of Consolidated FDI Policy 2013 (where VCFs should be read as AIFs)

(b) The investment made by the trust will be considered as foreign investment

(c) AIF Category II Fund is similar to VCF largely except that it will not qualify for tax benefits as limited to a few sectors. But as a pooling vehicle engaged in investment, and taking into account the possible FDI concerns, it would suffice to stipulate that investments made by the AIF Category II should be compliant with the FDI policy in terms of entry route, conditionalities and sectoral caps.

(d) Money should flow into the AIF from legitimate sources. Thus, the recipient entity must adhere to and ensure compliance with the KYC norms in respect of each investor.

(e) The remittances should be through normal banking channels.

(f) Investments should be received only from NRIs, who are resident in a country, that is a member of FATF or a member of a group which is a member of FATF; and are resident in a country that is a

signatory to IOSCO's Multilateral Memorandum of Understanding (and referred to as Appendix A Signatories therein) or a signatory of a bilateral MoU with SEBI.

(g) Activities of the investee company should be in compliance with the respective regulations prevalent in the investors' countries, in case business is solicited from those jurisdictions.

Also, as regards the proposals for existing VCFs, the AIF regulations contain an enabling provision for existing VCFs which states that 'All venture capital funds or schemes launched by such venture capital funds prior to date of notification of these regulations (21.5.2012) shall continue to be governed by provisions of Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the fund or Scheme is wound up. These funds shall not launch any new Scheme after notification of these regulations (Clause 39(2) (b) of AIF Regulation 2012). In light of this clause, FIPB would continue to take up FDI proposals in Domestic VCFs but subject them to conditions stated above.

#### **Cases approved/rejected:**

(i) **M/s Excedo Reality Fund-I (Category II AIF)** had sought an approval to accept contribution and investment from NRIs from various countries to carry out the business in development of Township, Housing, Built up infrastructure and Construction Development projects in compliance with FDI Policy. The proposal was approved in 184<sup>th</sup> meeting subject to conditions (a) to (g) stated above.

(ii) **M/s IvyCap Ventures Trust (SEBI registered VCF)** requested to allow NRI investment through normal banking channels in compliance with FEMA Regulations and extant FDI Policy. This proposal was received post the replacement of VCF regulations by AIF regulations. Nevertheless, the proposal was approved in 184<sup>th</sup> meeting subject to conditions (a) to (g) above.

(iii) **M/s SIDBI Social Venture Trust, Mumbai (Category I AIF)** had sought an approval to allot Class A units of the Fund to bring foreign investment. It was approved in 188<sup>th</sup> meeting subject to certain specific conditions.

### **3.4 Partly Paid Shares and Warrants**

As per the extant FDI policy (DEA's letter No. 1/1/2009-FIU dated 25/2/2010), in the case of partly paid up shares, FDI is permitted through Government route with 50% upfront first payment and full payment in 6 months from the date of issue in case of partly paid shares. Also, in normal circumstances, partly paid up share capital cannot be made fully paid up by reduction in the face value of the shares. However there has been a special circumstance, as in the case of **M/s M&C Rakindo**, where this has been allowed.

The company sought to restructure the capital of the company by making partly paid up share capital fully paid up by reduction in the face value of the shares. This is not covered by the FDI policy or prima facie by the Companies Act, 1956. However, as the Company was able to secure the necessary appropriate approval for capital restructuring through the Court process, the Company also received approval from FIPB (in 186<sup>th</sup> meeting) subject to compounding.

As per the extant FDI policy (DEA's letter No. 1/1/2009-FIU dated 25/2/2010), in the case of share warrants, FDI is permitted through Government route with 25% upfront first payment and full payment in 12 months from the date of issue.

However the policy on Partly Paid Shares and Warrants was revised vide DEA's letter No. 1/1/2009-FIU dated 06/11/2013, whereby in case of partly paid shares FDI is permitted through Government route with 25% payment upfront with a stipulation of receiving balance in subsequent 12 months and warrants issued to foreign investors, FDI is permitted through Government route with 25% payment upfront with a stipulation conversion period not exceeding 18 months.

### 3.5 Swap of Shares

As per Para 3.5.6 of Consolidated FDI Policy 2013, approval of FIPB is required in case of investment by swap of shares. However in a particular instance, the swap of shares resulted in the outward investment from India

**M/s Aurionpro Solutions Limited**, an Indian company had sought an approval to acquire through its US subsidiary, the business assets of an overseas US company and also 100% ownership of a UK company through part cash and part swap of shares of the Indian company. There were two parts to the proposal- acquisition of business assets and transfer of ownership. The FIPB noted that the activity of the company is under Automatic route. However, the acquisition of business assets needs approval of FIPB, as it was being done by WoS abroad and not directly. The transfer of ownership of the UK company was by way of a swap through its WoS and hence required FIPB approval subject to the condition that irrespective of the amount, valuation of the shares will have to be made by a Category I Merchant Banker registered with SEBI or an investment Banker outside India registered with the appropriate regulatory authority in the host country. The Board was of the view that the expansion of access to the US and UK markets through both these transactions would increase the profits of the WoS and hence could result in increased dividends to the Indian parent in future. Additionally the conditions were placed that, the overseas acquisitions have to be within the extant ceiling of 100% of the net worth of the Indian party as on the date of the last audited balance sheet (FEMA 120 as amended up to date specifies the conditions in detail) and any funds taken out of the applicant company for overseas acquisition should be in compliance with the RBI's extant policy on Overseas Direct Investment. Accordingly approval was granted in 194<sup>th</sup> meeting of 2013.

### 3.6 Issuance of shares for consideration other than cash

**M/s Rosoboronterra India Pvt. Ltd.**, New Delhi had proposed to issue equity shares for other than cash consideration to undertake repair, overhaul and servicing of different types of Armored Vehicles. The Board observed that issue of shares against other than inward remittances requires FIPB approval. The proposal was taken up in 182<sup>nd</sup> meeting and it was noted that in the instant proposal the applicant had requested for issuance of equity share capital of 26% in lieu of life time use of the brand, technical know-how, tender, design and support for 3 years along with offline training in Russia/India etc. The quantum of inflow was not revealed and the kind of services mentioned could not be easily valued. Accordingly the proposal was rejected. In a representation against



rejection, though the face value of shares was quantified later, the Board was of the opinion that the kind of services against which shares were proposed to be issued cannot be objectively valued and were not allowed in the policy. The Board again rejected the proposal in its 193<sup>rd</sup> meeting.

### 3.7 Issue of shares for pre-incorporation expenses

As per FDI Policy for issue of shares for pre-operative/ pre-incorporation expenses (including payments of rent, etc.), the proposals need to be processed through approval route and should comply with specific conditions as laid down in Para 3.4.6 (II) of Consolidated FDI Policy 2013. However, there have been specific cases where the FIPB has taken a special consideration and relaxed one or more of these conditions.

#### Case considered:

(i) Approval was sought by **M/s Brahma Center Development Private Limited, Delhi** to issue equity shares to M/s Brahma Opportunities Ltd., Mauritius against initial bid amount of Rs. 62 crore paid directly by M/s Brahma Opportunities Ltd., through demand draft to Haryana State Industrial and Infrastructure Development Corporation Limited (HSIIDC) on behalf of M/s Brahma Center Development Private Limited. The proposal did not fulfill the criteria laid down in FDI policy which stipulates that the “Payments made through third parties citing the absence of a bank account or similar such reasons will not be allowed”.

In this case, the applicant had stated that the payment was made directly to HSIIDC by the foreign investor and not through the bank account of the company because the applicant was not incorporated at that time. A liberal stand was taken in the matter and the proposal was approved in 167<sup>th</sup> FIPB meeting.

### 3.8 Entry routes for investment

As per FDI policy, Investments can be made by non-residents in the equity shares/fully, compulsorily and mandatorily convertible debentures/ fully, compulsorily and mandatorily convertible preference shares of an Indian company, through the Automatic Route or the Government Route. Acquisition of shares on the stock exchange as a FDI transaction is not permissible under the FEMA provisions. However, the RBI's Master Circular on Foreign Investment in India permits acquisition of FDI through Stock Exchanges, subject to prior FIPB approval, pricing guidelines and adherence to SEBI (SAST) Guidelines (In this regard, RBI's Master Circular part 1 Section 1 para 8 B II(b) has to be read with para 8 B II (a) and (d)(ii) and the relevant Annex 3 of the Master Circular para 4.1(v) and (vi)).

#### Cases approved/ rejected:

(i) **M/s BNP Paribas India Holding Pvt. Ltd.** proposed to acquire, through secondary market purchases on floor of the stock exchange, in one or more tranches another 4% of the equity of M/s Geojit BNP Paribas Financial Management Services (Private) Limited. Post the acquisition the total shareholding of BNPP group in Geojit (i.e. aggregate of BNPP's equity earlier shareholding of 33.58

% and the proposed acquisition of 4% by the BNP) will be 37.58%. The proposal was approved in 193<sup>rd</sup> FIPB meeting subject to compliance with SEBI (SAST) Guidelines.

### 3.9 Mergers and Acquisitions

Mergers/demergers/ amalgamations of companies in India are usually governed by an order issued by a competent Court on the basis of the Scheme submitted by the companies undergoing merger/demerger/amalgamation. Once the scheme of merger or demerger or amalgamation of two or more Indian companies has been approved by a Court in India, the transferee company or new company is allowed to issue shares to the shareholders of the transferor company resident outside India, subject to the conditions stated in FDI policy.

In order to save time, the applicant can simultaneously file its scheme of arrangement at the High Court and submit its FDI application to FIPB while the final judgment of the court is awaited. However, it may be noted, the FIPB may process the file but its final approval will only be applicable when the scheme of arrangement is approved by the High court.

#### Cases considered:

(i) In the 176<sup>th</sup> meeting, approval was granted to **M/s Allergen Healthcare India Private Limited** to issue shares to its foreign shareholding company pursuant to the scheme of amalgamation in the Pharma company being approved by the court.

(ii) In the 197<sup>th</sup> meeting, the FIPB considered the application of **M/s Provimi Animal Nutrition India Private Limited** who had sought approval for transferring two of the existing business undertakings to two new companies to be established in India as wholly owned subsidiaries of CAPH (the holding company of PANIPL). The Board noted that the relevant details like the number of shares and the valuation and the details of the new companies and the exact businesses to be transferred, etc., could be made available only after the competent court approves the scheme of arrangement of demerger. Further it was felt that the decision on the applicability would need to be made on whether the imposition of the 4 standard conditions would be relevant in this case, after the receipt of such details. Accordingly, the Board returned the application with an advice to apply afresh after the approval of the scheme of arrangement by the competent court which had to be obtained in compliance with Para 3.5.4 of Extant FDI Policy.

### 3.10 Defence & Information and Broadcasting: The security concerns

**Defence:** Para 6.2.6.1 of Circular 1 of the Consolidated FDI Policy 2013 states that FDI in Defence Industry subject to Industrial license under the Industries (Development & Regulation) Act 1951 upto 26% is allowed subject to prior approval of the Government. Para 6.2.6.2 describes the other Conditions laid down which have to be complied under this sector. Further, vide Press Note 6 of 2013, the FII investment has been prohibited in the Defence sector. Presently, Indian company which has more than 26% FDI does not qualify for participation in bidding for defence sector equipment and for foreign holding beyond the limit of 26%, as per the Press Note 6 of 2013, the same has to be approved by the Cabinet Committee on Security on a case to case basis.

**Broadcasting:** As per Para 6.2.17 of Consolidated FDI policy 2013, Broadcasting activities are subjected to different sectoral caps depending on the specific Broadcasting activity undertaken by the investing company.

Further as per Para 4.1.3 (v) (d) (A) and (B), the equity held by the largest Indian shareholder would have to be at least 51% of the total equity in defence sector and certain activities of information and Broadcasting sector where the sectoral cap is less than 49%. The term “largest Indian shareholder”, used in this clause, will include any or a combination of the following:

(I) In the case of an individual shareholder, it can be 'an individual shareholder' or 'a relative of the shareholder within the meaning of Section 6 of the Companies Act, 1956' or 'A company/ group of companies in which the individual shareholder/HUF to which he belongs has management and controlling interest'.

(II) In the case of an Indian company as shareholder, it can be 'the Indian company' or 'a group of Indian companies under the same management and ownership control'.

For the purpose of this Clause, “Indian company” shall be a company which must have a resident Indian or a relative as defined under Section 6 of the Companies Act, 1956/ HUF, either singly or in combination holding at least 51% of the shares.

Both the sectors are considered to be sensitive sectors in the Indian landscape and undergo an exhaustive security analysis by MHA.

#### **Cases approved/rejected:**

(i) **M/s UT Starcom India Telecom Private Limited** had sought an approval to undertake additional activity relating to Telecom/I&B sector. The proposal was rejected in 172<sup>nd</sup> FIPB meeting on the grounds that the company had 100% FDI whereas the Broadcasting activity that it wanted to undertake was subjected to 49% sectoral cap.

(ii) **M/s BF Elbit Advanced Systems Pvt. Ltd** engaged in the Defence sector sought approval for foreign investment through issue of equity shares. The proposal was considered in the 188<sup>th</sup> FIPB Meeting held on March 06, 2013 and was deferred on the request of MoD and MHA. The proposal was again considered in the 190<sup>th</sup> and 194<sup>th</sup> FIPB Meeting held on April 12, 2013 and July 29, 2013 respectively and was deferred on the request of MHA. The proposal was again considered in the 196<sup>th</sup> meeting and was approved when MHA conveyed the security clearance to the proposal and was subject to obtaining Industrial License and compliance with FDI Policy.

### **3.11 FDI in Book Publishing**

100% FDI is allowed with the approval of FIPB for publishing/printing of scientific and technical magazines, periodicals and journals, subject to compliance with the legal framework as applicable and guidelines issued in this regard from time to time by M/o Information & Broadcasting. FIPB has been considering the activity of book publishing akin to publishing of scientific and technical magazines, periodicals and journals.

### Cases approved/rejected:

(i) **M/s Bloomsbury India UK Limited**, had sought an approval for induction of foreign equity to carry out the business of publishing/printing of books on fiction and nonfiction, electronic publishing, wholesale & retail trading, periodicals books, academic, research and other journals and directories, etc. The proposal had been approved in 176<sup>th</sup> meeting. An alternative scenario was discussed wherein, book publishing/printing would fall under the Automatic route, and hence no approval for bringing in FDI would be required. However the Board held the view that 'since the default clause refers to "Sectors/activities" not listed in Annex 4 to PN 4 (2006), it cannot be construed that FDI upto 100% on Automatic route is available to Book Publishing, because "Publishing/printing media" as a sector does figure in the Table. The Board observed that the extant policy, as prescribed by the Consolidated FDI Policy provides for 100 percent FDI under Government route in 'publishing/printing of scientific and technical magazines/specialty journals/periodicals, subject to compliance of legal framework as applicable and guidelines from time to time by Ministry of Information & Broadcasting'. Even though book publishing/printing is not specifically mentioned in the policy, the book publishing/printing was held to be under the above category.

(ii) **M/s Hay House Publishers (India) Pvt. Ltd.** had sought an approval for setting up of a JV to undertake printing and distribution of foreign books in India. The proposal was approved in 67<sup>th</sup> meeting of FIPB. Subsequently, M/s Hay House Publishers (India) Pvt. Ltd. had also sought post facto approval to increase foreign equity participation from 80% to 100%. This was approved in the 159<sup>th</sup> meeting, subject to compounding. Post the decision, the company sought deletion of the condition relating to compounding by RBI on the ground that the activity of book publishing is under the Automatic route. However, this request was rejected in 176<sup>th</sup> FIPB meeting, since FIPB in the past has been of the consistent view that book publishing is akin to publishing of speciality magazine/journals and would be under the approval route for FDI upto 100%. An alternative view came up that printing of Books is not specifically covered under Circular 1 of 2012 and hence would be covered under para 6.2 of the said Circular, which states as under: "In sectors/activities not listed below, FDI is permitted upto 100% on the Automatic route, subject to applicable laws/ regulations; security and other conditionalities". Distribution of books is also under the Automatic route, with FDI permissible up to 100%, as long as it is on wholesale basis. Similarly, wholesale trading of desk cards and audio will also fall under the Automatic route, with FDI permissible up to 100%. As such as per the alternative view, FIPB approval did not appear to be required for FDI in the proposed activity. The Board discussed the issue of FDI in book publishing at length and reiterated its earlier observations that since the default clause refers to "Sectors/activities" not listed in Annex 4 to PN 4 (2006), it cannot be construed that FDI upto 100% on Automatic route is available to Book Publishing because "Publishing/printing media" as a sector does figure in the Table. Board was of the view in its 176<sup>th</sup> FIPB meeting that since FIPB approval was accorded on ex-post facto basis for activity of book publishing held to be under the approval route, the said approval has to be subject to compounding by RBI.

Another representation against rejection was received from the Applicant against the compounding imposed, on the grounds the activity was under the Automatic route. The proposal was considered in the 181<sup>st</sup> FIPB meeting and the activity was considered under the Automatic route in view of the opinion of the DIPP, the policy making department. Accordingly the condition of compounding was

also deleted.

### 3.12 Investment by Foreign Airlines in Scheduled Domestic Passenger Airlines

The FDI policy was revised in 2012 to permit investment by foreign airlines in scheduled domestic passenger airline to the extent of 49%. The first proposal received under the revised policy paved the way for its proper interpretation.

#### Cases approved/rejected:

(i) **M/s AirAsia Investment Ltd, Malaysia** proposed to incorporate a new Joint venture company with a foreign equity of 49%. The balance 51% equity would be held by M/s Tata Sons Limited (30%) and M/s Telestra Tradeplace Pvt. Ltd. (21%). This was approved in the 188<sup>th</sup> FIPB meeting.

**Interpretation:** It was emphasized that FIPB approvals are subject to sectoral guidelines, legal requirements, rules and regulations. As per the FDI Policy *“The Government of India has reviewed the position in this regard and decided to permit foreign airlines also to invest, in the capital of Indian companies, operating scheduled and non-scheduled air transport services, up to the limit of 49% of their paid-up capital”* it was however clarified that the said Press Note did not refer only to the existing airlines. It was noted that in FDI policy wherever there was a distinction between Greenfield and Brownfield projects, the policy specifically mentioned so (viz., pharma, airport etc.). Thus there was no ambiguity in the said Press Note and there was no need for a formal clarification. It was also pointed out that the spirit of the FDI Policy was to get fresh investment into the country.

ii) The proposal of **M/s Etihad Airways PJSC**, United Arab Emirates to invest in M/s Jet Airways (India) Limited to the extent of 24% was approved in the 194<sup>th</sup> FIPB meeting.

iii) Permission was granted for **M/s Singapore Airlines Limited**, Singapore to invest up to 49% in the total paid up equity share capital of JV Company, TATA SIA Airlines Limited, partnering with TATA during the 197<sup>th</sup> FIPB meeting.

### 3.13 Conditions relating to FDI in the Construction Development sector need to be read together and harmoniously

For FDI approvals related to the construction development of townships, housing and built-up infrastructure, it is FIPB's practice to impose the conditions enumerated in Para 6.2.11.2 of the Consolidated FDI Policy 2012 and subsequently Para 6.2.11.2 of the Consolidated FDI Policy 2013. It has been held in various FIPB decisions that these conditions need to be read harmoniously and not separately. As per the Policy, the original investor is permitted to exit before a mandatory period for 3 years from completion of minimum capitalization with prior approval of FIPB. However, FDI Policy is silent on the issue of permissibility/modalities of repatriation of the completion of 3 year period in cases where other conditions are met, as prescribed in para 6.2.11.2 of Circular No 1 of 2012/ 2013 relating, inter alia, to minimum built up area and completion of 50% of the project within 5 year period from the date of obtaining all statutory clearances.

### Cases approved/ rejected on the issue of simultaneous reading of conditions:

(i) **M/s Kakade British Realities Pvt. Ltd.** had requested for repatriation of FDI after completion of the three year lock in period and without complying the condition regarding completion of 50 % project within 5 years from the date of obtaining all statutory clearances. The proposal was rejected in 175<sup>th</sup> meeting on the grounds that these conditions needed to be clearly linked and reconciled.

(ii) However, the request of **M/s Copper Beech Infrastructure Pvt. Ltd., New Delhi** to repatriate the money before the lock in period of 3 years was approved in 172<sup>nd</sup> FIPB meeting. It was observed that due to negative developments beyond the control of the company, the applicant was forced to abort the project. Therefore, FIPB was of the view that the applicant should be allowed to liquidate the company and repatriate the foreign investment through the prescribed banking channel subject to compounding by RBI (as there was a delay in getting the required FDI within the stipulated period). Further in the 188<sup>th</sup> meeting, FIPB took a liberal stand on compounding as well (as there was only a day's delay in getting the last tranche of the minimum required fund) and advised the applicant to approach the RBI.

(iii) The request of **M/s DLF Limitless Developers Pvt. Ltd.** for the exit of foreign investors and the repatriation of the capital was approved in 197<sup>th</sup> meeting as the construction sector project could not even acquire land. The proposal de facto amounted to FDI being brought in and requested to be repatriated after the passage of 5 years, with no activity in the intervening period. Hence though theoretically it is a construction sector project, practically it turned out to be a case covered by para 3.10.3.3 of the extant FDI policy. The FDI Policy states in Para 3.10.3.3 that in case of infusion of FDI into an Indian Company which does not have any operations, Government/FIPB would be required. Further, the policy states that as and when the Company commences business, it will have to comply with the relevant sectoral conditions on entry route, conditionalities and caps. Thus the request was approved on the grounds that since the construction project never got the required land and never took off, the conditions of the construction sector cannot be yet applied to the extant case.

### Cases approved/ rejected on the NR to NR transfer and the three year lock in condition:

i) **M/s CapitaRetail Mysore Mall (Mauritius) Limited**, Mauritius engaged in the activity of Construction and Development, had sought approval for transfer of shares within the group company (NR to NR) prior to completion of 3 years lock in period. The FIPB in its 184<sup>th</sup> meeting observed that the instant proposal does not result in repatriation of foreign investment but is a NR to NR transfer on account of re-organisation of the foreign investor group companies and should logically be allowed as the transaction is within the group companies, and as far as the Indian Company is concerned, it does not matter except for the change in the name of foreign investor. Further stipulating that the lock-in period would commence afresh from the date of this approval, as recommended by DIPP would be needlessly burdensome, as even with the existing situation nearly 2.5 years of lock-in remains. A fresh lock-in period, therefore, was not imposed, and was applied from the date of receipt of last installment/tranche of FDI as provided in the Policy.

ii) In the 198<sup>th</sup> FIPB meeting a proposal of **M/s Vassam and M/s Virtuous Retail Ltd** was considered, wherein a NR company proposed to transfer its holding in an Indian Infrastructure



company to its own group company as a part of internal restructuring of holdings before the completion of the 3 year lock-in-period. The FIPB was of the opinion that the fresh lock-in-period would *de facto* meet the requirement in para 6.2.11.2 (3) of Circular 1 of 2013, and accordingly the fresh lock-in condition was imposed from the date of the FC approval letter. During deliberations, it was noted that a similar case with the same foreign investors was approved in the case of **M/s Sugam Vanijya Ltd** in the 197<sup>th</sup> FIPB meeting with the imposition of a fresh lock-in period, on the new investor.

### 3.14 Private Security (PSAR 2005)

Para 6.2.14 of Circular 1 of 2012 of Consolidated FDI Policy provided for FDI cap of 49 per cent under Government route in security agencies in private sector. Earlier, in Circular 1 of 2010, FDI for security agencies in private sector was subject to compliance with the provisions of Private Security Agencies (Regulation) (PSAR) Act, 2005 which inter alia provided that a company, firm or an association of persons shall not be considered for issue of a licence under this Act, if, it is not registered in India, or is having a proprietor or a majority shareholder, partner or director, who is not a citizen of India.

#### Cases approved/rejected:

i) **M/s G4S Secure Solutions (India) Pvt (G4S India)**. Engaged in the business of providing security services was owned 99.98 per cent by G4S Holdings and 0.02 per cent by M/s Group 4 Falck Finance BV, Netherlands. The FIPB in its meeting held on January 2, 2009 deliberated upon the provisions of PSAR Act and applicant's contention that the provisions of this Act will not apply to holding company but only to three of their companies which are in the security business. It was felt that as the holding companies had majority shareholding in their subsidiaries, the provisions of the Act were relevant to the holding company also. Hence the proposal was rejected. However the company represented and sought confirmation that the existing foreign investment in G4S India, made under the provisions of the previous FDI regulations corresponding to the applicable provisions of the current FDI guidelines, were valid and effective and were in line with the PSAR Act and the FDI policy. The Board held that, in view of the provisions of PSAR Act, specific provisions of FDI policy since April 01, 2010 and involved security consideration, it would be administratively appropriate to consider foreign investments in private security agencies made prior to April 01, 2010 in terms of the extant FDI policy. The proposal was rejected in the 182<sup>nd</sup> meeting for the want of security clearance and for the want of the documents in support of the fact that the foreign investment at the material time was in compliance with the extant rules.

ii) Approval had been sought by **M/s OCS Group Singapore Pte Limited** to acquire 49 percent of the paid up equity share capital of the M/s Central Investigation & Security Services Limited. After many deferments, the Proposal was again considered and approved in the 183<sup>rd</sup> meeting held on November 23<sup>rd</sup>, 2012 where MHA gave security clearance to the proposal, subject to the condition that the private security agency i.e., CISSL, Mumbai should have a licence from Maharashtra Government to work in that state under PSAR Act, 2005.

### 3.15 Single-brand retail trading

100% FDI under Government route is allowed for foreign investment in Single brand retail trading

subject to certain conditions as specified in Para 6.2.16.4 of Consolidated FDI Policy 2013 (amended vide Press Note No. 4 (2012 series)). While, as per para 6.2.16.4 of Circular 1 of 2012, FDI upto 51% in retail trade of single brand products was permissible with prior Government. The conditions relating to FDI in this sector has changed from time to time to suit the emerging macroeconomic needs.

#### **Cases approved/rejected:**

(i) **M/s Zara Holding B.V., Netherlands** had sought an approval to set up a JV with 51% foreign equity participation for single brand retail trading of products. The proposal was rejected in 178<sup>th</sup> FIPB meeting, on the issue of non-compliance with the condition specified in para 6.2.16.4 (2)(d) of Circular 1 of 2012, viz. the foreign investor should be the owner of the brand. It was noted that in the instant case, while the brand owner is M/s Grupo Massimo Dutti, S.A, a WOS of M/s Inditex, S.A. Spain, the foreign investor was another WOS of M/s Inditex, namely M/s Zara Holding BV. It was noted that the argument of the applicant that Inditex group has routed foreign investments in other countries through a group company other than the brand owner needs to be considered in the light of the specific stipulation in the FDI Policy in India.

(ii) **M/s Fabindia Overseas Pvt. Ltd.** had sought an approval to change the permitted equity participation by the existing foreign investors within the approved equity holding of 51% and for adding of product/product categories to the list of items approved for single brand retail trading. In the extant case, the company was not in compliance with the newly added condition (d) of the then existing FDI Policy 2012 i.e. 'the foreign investor should be the owner of the brand'. However, in the 178<sup>th</sup> meeting in 2012, during the deliberations, it was mentioned that the initial approval to the company was accorded prior to the incorporation of condition prescribed in para 6.2.16.4(2)(d) [the foreign investor should be the owner of the brand.] It was argued that in terms of the extant FDI Policy, provisions of para 6.2.16.4 of Circular 1 of 2012 relating to single brand product retail trading apply to foreign brands and not to Indian brands like "Fabindia". It was therefore, felt that no FIPB approval is now required by the applicant for change in foreign equity or retailing their additional single branded goods, provided that the brand "Fabindia" shall continue to be an Indian brand, i.e. is Indian owned and controlled company and the company remain engaged in manufacturing/sourcing. The company was advised accordingly.

(iii) **M/s Ingka Holding Overseas B.V.** (in 186<sup>th</sup> FIPB meeting in 2013), was given an approval to set up a wholly owned subsidiary to undertake single brand retailing of IKEA products. However, the contents of the proposal went beyond the scope of the policies and hence additional conditions were imposed pertaining specifically to the proposal.

(iv) **M/s Fossil India Pvt. Ltd.**, a wholly owned subsidiary of a foreign company was given an approval in 187<sup>th</sup> FIPB meeting in 2013 to undertake the business of single brand retail trading. The Board held the view that the Single brand retail trading will only be carried out through exclusive stand-alone stores set up for retailing FOSSIL products and through no other format. Further, such stores shall not sell products that are unbranded or of any other brand. The products should invariably carry the name and or logo of the brand 'Fossil'. Besides this, certain additional conditions were imposed pertaining specifically to the proposal.



### 3.16 Multi-brand retail trading

FIPB in its 200<sup>th</sup> meeting approved the first proposal on Multi-Brand Retail trading of **M/s Tesco Overseas Investments Ltd.**, to acquire (through purchase and subscription) 50% of the equity share capital of the Indian company to engage in the multi brand retail trading of products in India through a chain of stores. As per Para 6.2.16.5 of Circular 1 of 2013 of the Consolidated FDI Policy as amended by Press Note 5 of 2013, FDI, upto 51% is permitted in multi-brand product retail trading, subject to certain additional conditions. One of the additional condition laid on the proposal in addition to the as laid in the policy included, that additionally, at least 50% of total FDI brought in the first tranche of US\$ 100 million, shall be invested in 'backend infrastructure' within three years, where 'back-end infrastructure' will include capital expenditure on all activities, excluding that on front-end units.

### 3.17 Insurance Broking

Consolidated FDI Policy 2013 permits FDI up to 26% through Automatic route in “insurance” subject to attainment of necessary license from Insurance Regulatory and Development Authority (IRDA). However it was not quite clear as to what the Insurance sector comprised of. Insurance broking is not “insurance”. Insurance broking is also not covered under the 18 activities permitted for FDI (100% under Automatic route) in the Non-Banking Financial companies (NBFCs). Therefore such proposals were placed before FIPB.

FIPB had examined such matter and decided that the perusal of the Insurance Act 1938 clause 2 (10B) and IRDA Act 1999 Clause 2(1)(f) squarely places the activity of 'insurance broking' within the ambit of the insurance sector. Hence insurance broking should be eligible for 26 percent FDI on the Automatic route. However, till the FDI Policy is amended to reflect the same, such proposals can be considered for approval subject to compliance with the provisions of the IRDA (Insurance Brokers) Regulation 2002 and IRDA (Registration of Indian Insurance Companies) Regulation 2000.

#### Cases approved/rejected:

- i) In 186<sup>th</sup> FIPB meeting, **M/s Mahindra Insurance Brokers Limited** was given an approval for induction of foreign equity to carry out the business of Insurance Broking.
- ii) **M/s Aon Global Insurance Brokers Pvt. Ltd. Mumbai** had sought post-facto approval for induction of foreign equity to carry out the business of Insurance broking, and risk advisory services. It was approved in 187<sup>th</sup> FIPB meeting.
- iii) **M/s Berns Brett India Insurance Broking Pvt Ltd.**, was approved in 197<sup>th</sup> FIPB meeting subject to the company obtaining the relevant licence as per the IRDA (Insurance Brokers) Regulations, 2002.

### 3.18 Commodity Broking

Stock broking is an NBFC activity and included in the list of 18 activities allowed under the Automatic route. However, “commodity broking” is not specified in the FDI policy. FIPB has been, however,

considering the proposals relating to FDI in commodity broking on case to case basis. FIPB has accorded approvals for engaging in commodity broking, treating it as fund based NBFC activity akin to stock broking and accordingly any forthcoming investment needs to fulfill the minimum capitalization required for 100% foreign owned NBFC, which is USD 50 million, out of which USD 7.5 million is to be brought in up front and the balance within 24 months, subject to no objection from Forward markets Commission/ Ministry of Consumer Affairs.

#### **Cases approved/rejected:**

i) Ex-post facto approval was given in 164<sup>th</sup> FIPB meeting for setting up of step down subsidiary in the name of **M/s MF Global Commodities India Private Limited** which was engaged in commodity broking.

ii) **M/s ADM Investor Services International Limited**, UK was given an approval to engage in commodity broking activities subject to the minimum capitalization norms. The applicant had subsequently requested to amend the said condition of the FC approval to treat the activities commodity broking as non-fund based activity. The FIPB had not acceded to the amendment request of the company for deletion of the minimum capitalization requirement as commodity broking would continue to be associated with fund based activity. The proposal was rejected in 169<sup>th</sup> FIPB meeting and the applicant had surrendered the approval.

iii) The proposal of **M/s Interactive Brokers (India) Pvt. Ltd.** (Interactive) for setting up a wholly owned subsidiary in India (NewCo) to engage in commodity broking business was approved in the 173<sup>rd</sup> FIPB meeting.

iv) **M/s Estee Commodities Private Limited** had sought an approval for induction of foreign investment from NRIs and foreign investor in the Indian owned and controlled holding company M/s Estee Advisors Pvt. Ltd., to carry out the business of commodity broking. It was advised in the 177<sup>th</sup> FIPB that it does not require FIPB approval to engage in commodity broking activities and was treated under the Automatic Route, since no FDI was being received directly in M/s Estee Commodities Pvt. Ltd., and was rather being received in M/s Estee Advisors Pvt. Ltd., which as per para 4.1.3 of Circular 1 of 2012, was treated as Indian Owned and Controlled company.

v) **M/s MF Global Sify Securities India Private Limited** requested to increase in foreign equity participation to carry out the business of commodity broking and Stock broking. This was approved in the 178<sup>th</sup> FIPB.

vi) **M/s Cloverdell Investments Ltd's** downstream investment through M/s Future Capital Holdings Ltd. into its 100% subsidiary M/s Future Capital Commodities Limited was approved in the 179<sup>th</sup> FIPB meeting. . The Board observed that since the investee company M/s Future Capital Holdings Ltd is an NBFC, it would need to meet the capitalization norm, which is being met with the proposed infusion of FDI. Accordingly, the downstream investment of the investee company, in a firm engaged in commodity broking was approved.

vii) **M/s Shaastra Securities Trading Private Limited, Gurgaon** was given approval to undertake the activity of commodity broking & trading on the commodity exchanges in the 192<sup>nd</sup> FIPB meeting subject to the conditions that the applicant was registered with the Forward Market

Commission (FMC) and followed the guidelines issued by FMC from time to time along with the compliance with the minimum capitalization requirements.

### 3.19 White Label ATM Operators

Till 2012, only banks were permitted by Reserve Bank of India (RBI) to set up Automated Teller Machines (ATMs) as extended delivery channels. In June 2012, the RBI issued policy guidelines permitting non-bank entities incorporated in India under the Companies Act 1956, to set up, own and operate ATMs in India. Non-bank entities that intend setting up, owning and operating ATMs, would be christened "White Label ATM Operators" (WLAO) and such ATMs would be called "White Label ATMs" (WLAs). They will provide the banking services to the customers of banks in India, based on the cards (debit/credit/prepaid) issued by banks.

As regards FDI Policy, foreign investment in any financial services, other than those indicated in 18 listed activities for Non-Banking Finance Companies (which were allowed 100% investment under Automatic route), would require prior approval of the Government. The activity of a White Label ATMs Operator (WLAO) does not fall under any of these 18 listed activities for NBFCs. Thus, they were placed before FIPB.

Approval were granted to WLAOs subject to authorization from RBI under Payment and Settlement System (PSS) Act, 2007 and minimum net worth of Rs.100 crore, as stipulated by RBI.

#### Cases approved/rejected:

- i) **M/s Prizm Payment Services Private Limited (Prizm)** had sought an approval to undertake an additional activity of setting up, owning and operating White Label ATMs (WLAs) in India. The proposal was approved in the 183<sup>rd</sup> meeting.
- ii) **M/s AGS Transact Technologies Limited**, Mumbai was approved in the 189<sup>th</sup> meeting of FIPB.
- iii) **M/s BTI Payments Private Limited** had proposed to set up White Label ATMs, as an additional activity, with additional FDI to be brought in from its parent company. The proposal was approved in the 191<sup>st</sup> meeting.
- iv) **M/s Euronet Services India Pvt Ltd** was approved in the 192<sup>nd</sup> FIPB meeting
- v) **M/s Srei Infrastructure Finance Limited, Kolkata** requested to undertake an additional activity of setting up White Label ATMs (WLAs) in India. The proposal was approved in 192<sup>nd</sup> meeting.
- vi) **M/s Muthoot Finance Limited** Kerala an existing NBFC having FDI was approved in the 194<sup>th</sup> FIPB meeting to set up White Label ATMs.
- vii) Similarly, the proposal of **M/s Vakrangee Softwares Limited** and the proposal of **M/s Microsec Financial Services Limited**, Kolkata, were approved in the 194<sup>th</sup> meeting.

### 3.20 FDI in Pension Fund Management Company

FDI Policy is silent on foreign investment in Pension Fund Management Company. FIPB is of the view that the activity is akin to asset management and accordingly may fall in the 18 NBFC activities listed under 100% Automatic route. However, the terms of appointment of Pension Fund Management Companies issued by PFRDA itself stipulate that the direct and indirect foreign investment should not exceed 26 per cent of paid up shares capital as outlined in the RFP, for which purpose the holdings of foreign institutional investors in an Indian promoter company need not be taken into account. Accordingly, on the advice of Pension Funds Regulatory Development Authority, the pension fund regulator, it was decided to restrict FDI (both direct and indirect) to 26% in this sector. It was decided that till the time FDI policies are modified to include these suggestions, FDI in Pension Fund Management Company should come to FIPB for approval.

#### Case approved/ rejected:

i) **M/s Natixis Global Asset Management, France** had sought an approval to invest by way of indirect foreign investment in Pension Fund Subsidiary. The company was given an approval in 167<sup>th</sup> FIPB meeting.

### 3.21 Issuance and Operation of Prepaid Payment Instruments (PPI)

The activity of issuance and operation of Prepaid Payment Instruments (PPI) is not specifically covered under 18 NBFC activities which are allowed 100% investment under Automatic route. The activity of stored value card is covered within the definition of credit card business (one of the 18 NBFC activities) and hence was ruled as being allowed under Automatic route as a part of the 'credit card' business. FIPB has held the view that the activity of stored value card, being covered by the definition of credit card under the FDI Policy is under the Automatic route (**M/s ZIPcash Card Services Pvt. Ltd** in 173<sup>rd</sup> Meeting of FIPB held on January 20, 2012). This was based on the note at the bottom of Clause 6.2.24.2 of the Circular 1 of 2012.

#### Cases approved/rejected

i) **M/s Oxigen Services India Private Limited** engaged in providing B2B services, viz., Mobile, DTH & Broadband Recharges, Bill payments, Travel and Ticketing, both by rail and Air, sought clarification on the applicability of minimum capitalization norm. The Board in the 173<sup>rd</sup> FIPB meeting held the view that OxiCash Card issued by the company is a stored value card and therefore, in terms of FDI Policy, it is covered under the definition of credit card business and accordingly the company would need to comply with the minimum capitalization norm, applicable to fund based NBFC activity of credit card.

ii) **M/s Beam Money Pvt. Ltd., New Delhi** had sought post-facto approval for carrying out the activities relating to Information Technology Enabled Services (ITES) and issuance and operation of Prepaid Payment Instruments (PPIs). The activity was considered to be covered within the definition of credit card business and accordingly the proposal was approved in 178<sup>th</sup> FIPB meeting.

iii) **M/s My Mobile Payments Limited (MMPL)**, a mobile payment service provider, wherein

the payment could be made by customers through their M-wallet. The M-wallet could be charged and recharged either online through credit card or by net banking etc. or by paying cash to MMPL retailers. In 197<sup>th</sup> FIPB meeting the applicant was advised to follow the Automatic route, in view of the precedents.

### 3.22 Pharmaceuticals sector

FDI in the pharma sector was allowed upto 100% on the Automatic route till the policy was amended vide the issuance of Press Note 3 of 2011 making thereby distinction between Greenfield and Brownfield investments making FDI in Brownfield entities allowed upto 100% under Government route. Consequent to spate of takeovers of pharma industries, a need was felt to review the policy to address sectoral concerns of availability of essential medicines, R&D continuation and availability of technology. FIPB has been imposing the following 4 conditions in case of any approval recommended in Brownfield pharmaceuticals:

- a. The company receiving FDI will continue to produce medicines under the NLEM for the domestic tariff areas at the level which would be the highest quantity of production in the previous three financial years for the next five years;
- b. The company will also be required to maintain the R&D expenditure at the maximum level incurred in any of the three financial years immediately preceding the current Government approval. This absolute level should be maintained for the next five years;
- c. The company will need to provide to the administrative Ministry concerned and the FIPB secretariat complete information pertaining to the transfer of technology, if any, along with induction of foreign investment into the investee company;
- d. The company will be required submit quarterly compliance report of the conditionalities contained in the approval letter, duly certified by the company's auditors. This report will have to be submitted to the FIPB secretariat, the Ministry of Corporate Affairs (MoCA) and the DIPP. The MoCA and the DIPP will scrutinize the certificate and bring to the notice of FIPB any violation of the conditionalities also on a quarterly basis.

One of the earliest cases where these conditions were imposed was the proposal of **M/s Arch Pharmed Labs Limited, Mumbai** wherein the approval was sought for induction of foreign investment from **M/s Mitsui & Co. Ltd., Japan** in an existing company engaged in the business of manufacture and sale of Active Pharmaceutical Ingredients and contract research and manufacturing services. The proposal was considered in the 177<sup>th</sup> FIPB Meeting held on June 01, 2012 and 179<sup>th</sup> FIPB Meeting held on July 27, 2012 and was deferred on the request of DIPP, pending acceptance of the recommendations of the Special Group constituted by FIPB/Committee constituted by DIPP. The proposal was finally approved in 180<sup>th</sup> meeting subject to the standard 4 conditions of the Brownfield pharma industry as recommended by the Special Group headed by Additional Secretary, Economic Affairs.

In another proposal, **M/s. SunijPharma Pvt. Ltd.** had sought the approval for increase in foreign equity in a Brownfield pharmaceutical company from 66.67% (both repatriable and non-repatriable) to 95% (both repatriable and non-repatriable). The proposal was given an approval in 188<sup>th</sup> FIPB

meeting subject to pricing guidelines of RBI and other relevant conditions applicable for investment in Brownfield pharmaceuticals companies.

There have been proposals when these 4 conditions have been relaxed. These have been:

**i) M/s Fenwal India Private Limited (Fenwal India):** M/s Fenwal Inc. (Fenwal) held 99.99% equity shares of Fenwal India and 0.01% were held by M/s Fenwal Holdings Inc. The group was undergoing a global restructuring and proposed to transfer 99.99% equity shares of Fenwal India from M/s Fenwal Inc., USA to M/s Fenwal International, Cayman Island and 0.01% equity shares of Fenwal India from M/s Fenwal Holdings Inc to Fenwal. In 197<sup>th</sup> FIPB meeting, it was noted that the overall foreign ownership is at the maximum level of 100%. Further, the ultimate ownership does not change though the direct holding of equity changes among the group companies. Hence the standard Brownfield Pharma conditions need not be imposed in this case.

**ii) M/s Castleton Investment Limited:** The proposal involved the NR to NR shareholding transfer between the group companies of the 'ultimate foreign investor and promoter' of an Indian pharma company. In 197<sup>th</sup> meeting, it was held that the proposal did not involve *induction of FDI for the first time, nor it was the case of a foreign company taking over an Indian company*. Further, the overall foreign ownership and the ultimate ownership also did not change. The FIPB was of the view that deletion of the conditions cannot be considered on the basis that the amount or percentage of transfer was insignificant. However, the three conditions can be considered to be not relevant in case of a NR to NR shareholding transfer between the group companies of the same 'ultimate foreign investor and promoter' without increase in total FDI holding in the investee company.

**iii) M/s Johnson & Johnson Limited:** 200<sup>th</sup> FIPB meeting approved the proposal of group restructuring between the Johnson & Johnson group entities i.e. Synthes Holding AG in M/s Synthes Medical Private Limited (SMPL, the Indian Company) to M/s Johnson & Johnson Limited. Pursuant to this transaction there was no change in the ultimate ownership and control of SMPL. It was noted that the overall foreign ownership is at the maximum level of 100%. Further, the ultimate ownership does not change though the direct holding of equity changes among the group companies does. Against this backdrop and similar stance as taken in the case of the M/s Castleton Investment Ltd., Mauritius, the FIPB recommended that the three conditions would not be relevant in case of a NR to NR shareholding transfer between the group companies of the same 'ultimate foreign investor and promoter', without increase in total FDI holding in the investee company.

Besides above, FIPB has been receiving the proposals in the pharma sector seeking the clarification/approval for raising the FII limit beyond 24% and upto the sectoral cap as per the extant FEMA Regulations 20, Schedule 2. This issue is for the present unresolved.

### 3.23 Capitalization norms in the NBFC Sector

In a few cases of the NBFC sector, in view of special circumstances, the FIPB has relaxed the conditions and given approvals to the applicants subject to other conditions and compounding.

#### Cases considered:

i) **M/s Gajraj Commercial Private Limited** had applied for not complying with the NBFC



capitalization norm within the stipulated 24 months and carrying on the business only for recovery of loans and closing down NBFC business. The FIPB noted that the NBFC activity is under the Automatic route and the applicant was seeking approval for not meeting the minimum capitalization requirement as it didn't wish to pursue the NBFC business. Accordingly the proposal was approved in 177<sup>th</sup> meeting subject to non-continuation of the NBFC activity and compounding for the period when NBFC activity was carried out without meeting the capitalization norm.

ii) **M/s Australia and New Zealand Banking Group** had sought for post-facto approval for exemption from minimum capitalization requirement for its fund based NBFC. As per the FDI Policy 2013, Para 6.2.17.8.2 investment is subject to minimum capitalization norms. As the company had stopped its NBFC activity and was in the process of winding up, the proposal was approved in 197<sup>th</sup> meeting subject to suitable compounding by RBI of the violations of the conditions of minimum capitalization.

### 3.24 Issue of shares on closure of Liaison/Branch office

FEMA Notification No. 22 defines 'Liaison Office' as a place of business to act as a channel of communication between the Principal place of business or Head Office by whatever name called and entities in India but which does not undertake any commercial /trading/ industrial activity, directly or indirectly, and maintains itself out of inward remittances received from abroad through normal banking channel. Permission to set up such offices is initially granted for a period of 3 years and this may be extended from time to time by an AD Category I bank. At the time of winding up of Branch/Liaison offices the company has to approach the designated AD Category - I bank with the supporting documents as stated in FEMA 1999. (Establishment and closure Liaison Offices in India is regulated in terms of Section 6(6) of Foreign Exchange Management Act, 1999 read with Notification No. FEMA 22).

The FDI Policy is silent on conversion of immovable assets of a Liaison Office into share capital. Issue of shares against other than inward remittance required approval of FIPB. While, there is no extant provision for issue of shares to the parent company on transfer of assets on closure of a liaison office, in past, FIPB has recommended some of the such proposals subject to compliance with FEMA regulations of RBI, on a case-to-case basis. **M/s Mitsui & Co India Private Limited** was one such proposal approved in 111<sup>th</sup> FIPB Meeting.

#### Cases approved/rejected:

i) FIPB received a proposal by **M/s British Marine India Private Limited, Mumbai** seeking approval to issue equity shares to M/s British Marine PLC, UK in lieu of closure of the Branch office (Marine India). The proposal was rejected in 181<sup>st</sup> FIPB meeting, stating that issue of shares against adjustment of assets over liabilities on closure of Liaison Office is not covered under extant policy. This was a complicated case as the valuation was approximate and based on an unaudited balance sheet.

ii) Ex Post facto approval was sought by **M/s Guetermann India Private Limited's** for issuance of shares on account of the assets transferred on the closure of liaison office of the company into its

WoS engaged in manufacture of sewing threads. The proposal was rejected in 194<sup>th</sup> meeting on the ground that the figures and documents provided did not give the required clarity to the proposal, and the reason for capitalization was not clearly brought out in the Auditor's Certificate.

iii) **M/s Univan Ship Management India Private Limited** requested to capitalize the value of their two Liaison Offices (LO) in India to Univan Hong Kong as FDI against non-cash consideration as repatriable shares. Its original approval was on non-repatriable basis. It was deliberated that the FDI policy had changed over time and now non-repatriable shares were associated only with NRIs. Further if the LO was to be simply wound up under the special circumstances narrated (as in this case), even then, the permission would have to be given for repatriation of proceeds as well and therefore on capitalization of the value on closure of LO, into shares of the company, the shares issued should be made repatriable. The proposal was hence approved in the 198<sup>th</sup> FIPB meeting

### 3.25 Date of commencement of business

An identifiable time milestone is required for reckoning of the date of commencement of activity in order to determine whether a particular Pharma project was Greenfield (not requiring FIPB approval) or Brownfield (requiring FIPB approval). The FIPB discussed the definition of commencement of the business and agreed that in the manufacturing sector, the date of commencement of business would be the Commercial Operations Date (COD). However, this would not apply to non-manufacturing sectors. Regarding housing and infrastructure sector, the first date on which FDI inflow was recorded would be considered as the relevant date for reckoning the date of commencement of business. Based on the above interpretations, the following cases were approved/rejected:

#### Cases approved/rejected:

i) **M/s Artura Pharmaceuticals Private Limited** incorporated on February 10, 2010 was yet to commence its activity including construction of factory. In the 188<sup>th</sup> FIPB meeting, it was concluded that this may be treated as a Greenfield investment for which FIPB approval was not required.

ii) **M/s Mylan Laboratories Limited**, Hyderabad proposed to acquire the formulation vials manufacturing facility from M/s Vivin Life Sciences Limited (VLSL) in Andhra Pradesh. Since the facility proposed to be acquired had not commenced any commercial manufacturing operations, the 189<sup>th</sup> meeting concluded that this acquisition was conceptually more akin to a Greenfield investment though technically it is classified as a Brownfield investment. Therefore, the imposition of the 3 standard Brownfield Pharma conditions were not held to be relevant in this case.

iii) **M/s Ferring Therapeutics Pvt. Ltd**, Mumbai proposed to undertake downstream investment from M/s Ferring Pharmaceuticals Pvt. Ltd. The 193<sup>rd</sup> meeting noted that the company has not carried out any commercial activity and is yet to start manufacturing. FIPB recommended that the applicant may be accordingly advised to access Automatic route till it reaches the Commercial Operation Date.

iv) The 193<sup>rd</sup> FIPB meeting also advised Automatic route to the similar case of **M/s Soothe Healthcare Private Limited, New Delhi**.



### 3.26 Joint Venture vis-à-vis Wholly Owned Subsidiary

'Joint Venture' (JV) as an Indian entity incorporated in accordance with the laws and regulations in India in whose capital a non-resident entity makes an investment. Thus no minimum qualifying shareholding is fixed for a joint venture between Indian and foreign companies as of now.

In the context of Anti -Money Laundering, RBI has defined a JV by a Financial Institution (FI) as one where the FI, along with the holdings by subsidiary, holds more than 25% equity capital.

Under the Companies Act 1956 also, with minimum 26% holding, effective blocking rights accrue to the owner. As per PN 4 (2013), "control" shall include the right to appoint a majority of directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting rights. As per the explanation to section 2(6) of the Companies Act, 2013, "significant influence" means control of at least twenty per cent of total share capital or of business decisions under an agreement. This was given in the context of the definition of "associate company", which included a joint venture company

The Companies Act 2013 defines "associate company", in relation to another company, as a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company. The Act further explains that for the purposes of this clause, "significant influence" means control of at least twenty per cent of total share capital, or of business decisions under an agreement;

The 196<sup>th</sup> FIPB meeting determined that control of at least twenty per cent of total share capital or of business decisions under an agreement is the minimum required participation in a JV to be termed as a JV.

#### Cases considered:

**M/s Brampton Infrastructure India Private Limited (company)** had sought clarification regarding the floor on percentage of shareholding to be held by Indian partner for forming the joint venture company so that it gets classified as a JV. The same was considered in the 196<sup>th</sup> meeting of FIPB and it was decided that control of at least twenty per cent of total share capital or of business decisions under an agreement is the minimum required participation in a JV to be termed as a JV.

### 3.27 Conversion of Non-Repatriable NRI investment into Repatriable equity

Consolidated FDI policy is silent on the issue of conversion of non-repatriable NRI investment into repatriable equity. However, vide Press Note 4 (2005), Non-repatriable NRI investment can be repatriated subject to the condition that the original investment was made in foreign exchange and the activity of the company is on the Automatic route. However, in cases where original investment is not made in foreign exchange, the sale proceeds of the shares have to be credited to an NRO A/c, and repatriation would be as permissible (upto US \$ 1 million/year subject to compliance with tax laws).

Nevertheless, there have been cases where FIPB has taken a separate stance and approved the proposal even though it did not meet above conditions.

**Case of Yalamanchili Software Export Ltd:** The company had sought an approval to convert

non-repatriable equity held by majority shareholder to repatriable equity and share swap of this holding to shares of a foreign company. The non-repatriable investments held in an Indian Company, which is on the Automatic route sector can be converted to repatriable, if the consideration of the shares was in foreign exchange. In the present case, this was not so. In cases where there is cash repatriation, the sale proceeds of the shares have to be routed through an NRO A/c, and repatriation affected after due payment of tax. However, in the present case there is no cash repatriation and the proposal is for a share swap.

The FIPB observed that Mr. Y. Ramakrishna holds 100% of the share capital of Yalamanchili International Pte., Singapore (Yalamanchili Singapore) and holds 90% of the share capital of M/s Yalamanchili Software Export Limited, Chennai (Yalamanchili). He wants to convert the 90% equity in Yalamanchili from non-repatriable to repatriable so that he can swap these shares. The FIPB was of the view that the condition of routing cash repatriation through NRO account loses relevance as the payment of the shares of the applicant are proposed to be done by means of swapping of the shares of Yalamanchili Technologies Pte., Singapore and not through cash transaction which is an arrangement permissible under the FDI policy. The FIPB finally recommended the approval of the conversion of equity shares of M/s Yalamanchili Software Export Ltd., Chennai held by Mr. Ramakrishan from non-repatriable equity to repatriable equity and simultaneous transfer to M/s Yalamanchili Technologies Pte., Singapore in swap by M/s Yalamanchili Technologies Pte., Singapore to Mr. Y. Ramakrishan. This is subject to upfront payment of applicable taxes as assessed by the competent authority after following the due procedures of valuation or/ and documentation as laid down by SEBI/RBI.

### 3.28 Some Important Decisions

i) Post-facto approval had been sought by **M/s Migatronic India Private Limited, Chennai** for setting up a WoS foreign owned welding equipment company. Migatronic submitted an application on September 18, 2001, for setting up a company to be engaged in marketing and trading in welding equipment/machinery and also investing in companies manufacturing the same. The proposal was rejected earlier on the ground that the proposal was not in accordance with the extant policy at the material time in respect of trading, which came under Automatic route only on 10.02.2006. However, it was felt that the rejection of the proposal on that ground would not be appropriate now as and the sector now is on approval route and moreover, the company has been functioning since 2001. The Board further observed that retail trading came on approval route as per Press Note 1 of 2012 dated January 10, 2012, therefore, this proposal was approved in the 193<sup>rd</sup> FIPB meeting, subject to compounding by RBI from 07.09.1999 to 10.01.2012 for violation of the FDI Policy at the material time. This was a special dispensation in view of the fact that the company has been functioning from 2001, and it was recorded that the dispensation cannot be taken as a precedent for future decisions.

ii) As per extant policy vide Para 6.2.18 of Circular 1 of 2012 of the Consolidated FDI Policy, foreign investment beyond 49% and upto 74% in private sector banks requires the approval of FIPB. Approval shall be subject to all the relevant conditions under the stated Para 6.2.18.

Further, SEBI had introduced an additional capital raising route in May 2006 viz. Qualified Institutional Placement (QIPs) that would enable listed companies to raise funds from the domestic

market. Consequently, many of the private sector banks have been availing this route for raising capital. Since in terms of SEBI Guidelines, the allotments under QIP are on private placement basis, the QIP issues have been treated as preferential issue of shares which requires RBI's prior approval in terms of circular DBOD.No.PSBS.BC.79 /16.13.100/2001-2002 dated March 20, 2002. Private Sector Banks need to approach RBI for prior 'in principle' approval in case of Qualified Institutional Placements along with details of the issue once the bank's Board approves the proposal of raising capital through this route. Further, allotment to the investors would be subject to compliance with SEBI guidelines on QIPs and RBI guidelines. **M/s Yes Bank Limited, Mumbai**, was given an approval in 188<sup>th</sup> meeting to increase foreign equity participation through a Qualified Institutional Placement (QIP) of Equity shares to eligible NRs and/or issue of GDRs to FIIs. As mentioned above, the proposed issuance of QIPs by YES Bank had to be in conformity with Chapter VIII of the SEBI (ICDR) Regulations, 2009 and required prior in principle approval of the RBI in terms of the relevant instructions of RBI.

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# Chapter 4

## 4. The Policy Pot

### The changes in policy

- 4.1 Since April, 2010, the Department of Industrial Policy and Promotion (DIPP) brought out a consolidated circular on FDI policy twice in a year, first in April and then in October. This has brought the entire policy into one place where it is easier for the policymakers and the investors to discern the big picture. Over the 3 years 2011-13, the Government has reviewed the Consolidated FDI policy and made a lot of changes. The summary of such changes in the FDI Policy in the period January 2011 to December 2013 are given in Tables 4.1, 4.2 and 4.3.

Table 4.1:Changes in FDI Policy during 2011		
Current FDI policy		Changes made during the year vide press releases
1. Allowing FDI in Limited Liability Partnership firms-amendment to paragraphs 2.1, 3.2.5 Press Note 2 dated 1 <sup>st</sup> October 2011		
LLP was not covered by the FDI Policy		<ul style="list-style-type: none"><li>• Insertion of a new Para 2.1.39-LLP firm formed under the LLP Act 2008</li><li>• Insertion of a new Para 3.2.5 - FDI in LLP would be permitted subject to :<ul style="list-style-type: none"><li>a) FDI in LLP would be permitted with prior Govt. approval in the sectors where 100% FDI is allowed under the automatic route and would not be allowed in agriculture/plantation activity, print media or real estate business</li><li>b) Downstream investment would be allowed by an Indian company only if both the company and LLP are operating in 100% automatic approval route.</li><li>c) Foreign capital participation will be allowed by way of cash consideration, Inward remittance, and normal banking channels or by debit of NRE/FCNR account maintained with an authorized bank or dealer.</li><li>d) Neither investment in LLP by FIIs, FVCIs will be permitted nor can LLPs avail ECBs.</li><li>e) The designated partner whether a company or a person nominated by the company should be in accordance with the provisions of section 7 of the LLP Act 2008 and person resident in India under section 2(v)(i) of the FEMA Act 1999.</li><li>f) Conversion of a company with FDI into a LLP with the prior approval of the Government.</li></ul></li></ul>
2. Foreign Direct Investment in Pharmaceutical sector: Press Note 3 dated 8 <sup>th</sup> November 2011		
Pharmaceutical automatic route	sector -100%	<ul style="list-style-type: none"><li>• Insertion of a new Para 6.2.25<ul style="list-style-type: none"><li>a) 6.2.25.1: Greenfield -100 % automatic route</li><li>b) 6.2.25.2: Brownfield-100% Government</li></ul></li></ul>

**Table 4.2: Changes in FDI Policy during 2012**

**1. Liberalization of the Policy in Single Brand Retail Trading: Press Note 1 dated January 10<sup>th</sup> 2012 and Press Note 4 dated 20<sup>th</sup> September 2012**

<p>Foreign Direct Investment (FDI), in retail trade, is prohibited except in single brand product retail trading, in which FDI, up to 51% is permitted, subject to conditions specified under paragraph 6.2.16.4 of 'Circular 2 of 2011- Consolidated FDI Policy'</p>	<p><b>Press Note 1</b></p> <p>FDI, up to 100%, under the government approval route, would be permitted in Retail Trading, subject to specified conditions:</p> <ol style="list-style-type: none"> <li>Products to be sold should be of a 'Single Brand' only</li> <li>Products should be sold under the same brand in one or more countries other than India</li> <li>'Single Brand' product-retail trading would cover only products which are branded during manufacturing.</li> <li>The foreign investor should be the owner of the brand.</li> <li>In respect of proposals involving FDI beyond 51%, mandatory sourcing of at least 30% of the value of products sold would have to be done from Indian's small industries/village and cottage industries, artisans and craftsmen'. 'Small industries' would be defined as industries which have a total investment in plant &amp; machinery not exceeding US \$ 1.00 million. the value would be at the time of installation, without providing for depreciation. if at any point in time, this valuation is exceeded, the industry shall not qualify as a 'small industry' for this purpose. The compliance of this condition will be ensured through self-certification by the company, records maintained verified by the statutory auditor, from the duly certified accounts, which the company will be required to maintain.</li> </ol> <ul style="list-style-type: none"> <li>Application seeking permission of the Government for FDI in retail trade of 'Single Brand' products would be made to the Secretariat for Industrial Assistance (SIA) in the Department of Industrial Policy &amp; Promotion indicating the product/ product categories which are proposed to be sold under a 'Single Brand'. Any addition to would require a fresh approval of the Government.</li> <li>Applications would be processed in the DIPP to satisfy the notified guidelines, before being considered by the FIPB for Government approval.</li> </ul>
<p>Para 6.2.16.4 of Circular 1 of 2012 Consolidated FDI Policy allows 100% FDI in single brand retail trading under the approval route. Some of the conditions were:</p> <ul style="list-style-type: none"> <li>The foreign investor should be the owner of the brand.</li> <li>In respect of proposals involving FDI beyond 51%, mandatory sourcing of at least 30% of the value of products sold would have to be done from Indian 'small industries/ village and cottage</li> </ul>	<p><b>Press Note 4</b></p> <p>Other points remaining the same, Para 6.2.16.4 has been amended and is as follows:</p> <ul style="list-style-type: none"> <li>Only one non-resident entity, whether owner of the brand or otherwise, shall be permitted to undertake single brand product retail trading in the country, for the specific brand, through a legally tenable agreement, with the brand owner for undertaking single brand product retail trading in respect of the specific brand for which approval is being sought. The onus for ensuring compliance with this condition shall rest with the Indian entity carrying out single-brand product retail trading in India. The investing entity shall provide evidence to this effect at the time of seeking approval, including a copy of the licensing/franchise/ sub-license agreement, specifically</li> </ul>

<p>industries, artisans and craftsmen'. 'Small industries' would be defined as industries which have a total investment in plant &amp; machinery not exceeding US \$ 1.00 million at the time of installation, without providing for depreciation. If at any point in time, this value exceeds, the industry shall not qualify as a 'small industry' for this purpose. The compliance of this condition will be ensured through self-certification by the company, to be checked, by statutory auditors, from the duly certified accounts</p>	<p>indicating compliance with the above condition.</p> <ul style="list-style-type: none"> <li>• In respect of proposals involving FDI beyond 51%, sourcing of 30% of the value of goods purchased will be done from India, preferably from MSMEs, village and cottage industries, artisans and craftsmen, in all sectors. The quantum of domestic sourcing will be self-certified by the company, to be subsequently checked, by statutory auditors, from the duly certified accounts. This procurement requirement would have to be met, in the first instance, as an average of five years' total value of the goods purchased, beginning 1 " April of the year during which the first tranche of FDI is received. Thereafter, it would have to be met on an annual basis. For the purpose of ascertaining the sourcing requirement, the relevant entity would be the company, incorporated in India, which is the recipient of FDI for the purpose of carrying out single-brand product retail trading.</li> <li>• Retail trading, in any form, by means of e-commerce, would not be permissible, for companies with FDI, engaged in the activity of single-brand retail trading.</li> </ul>
<p>While previous FDI policy only permitted <i>one</i> non-resident entity with ownership of a brand (or rights to a brand) to invest in Indian companies engaged in the retail trading of that brand, policy changes now allow <i>multiple</i> non-resident entities (as long as each own or have rights to the brand via a legally binding agreement) to invest in Indian entities engaged in single-brand retail trading of that brand.</p>	
<p><b>2. Downstream investment by a banking company incorporated in India, which is owned and/or controlled by non-residents/ non-resident entity/non-resident entities. Press Note 2 dated 31<sup>st</sup> July 2012</b></p>	
<p>Para 3.10.4.1 of Circular 1 of Consolidated FDI Policy states downstream investment by an Indian company, owned and/or controlled by non-resident, into another Indian company, would be in accordance with the relevant sectoral conditions on entry route, with regard to the sectors in which the latter Indian company is operating.</p> <p>a) Para 4.1.3 (ii) further states that foreign investment through the investing Indian company would not be considered for calculation of the indirect foreign investment in case Indian companies are 'owned and controlled' by resident Indian citizens</p> <p>b) Where condition (a) above is not satisfied or if the investing company is owned or controlled by 'non-resident entities', the investment by the investing company would be</p>	<p>A new Note below paragraph 3.10.4.1 is inserted which says Downstream investment/s made by a banking company, as defined in clause (c) of Section 5 of the Banking Regulation Act, 1949, incorporated in India, which is owned and/or controlled by non-residents/ a non-resident entity/non-resident entities, under Corporate Debt Restructuring (CDR), or other loan Restructuring mechanism, or in trading books, or for acquisition of shares due to defaults in loans, shall not count towards indirect foreign investment. However, their 'strategic downstream investment' shall count towards indirect foreign investment. For this purpose, 'strategic downstream investments' would mean investment by these banking companies in their subsidiaries, joint ventures and associates.</p>

indirect foreign investment, provided the indirect foreign investment in only the 100% owned subsidiaries of operating-cum-investing/investing companies, will be limited to the foreign investment in the operating-cum-investing/investing company.	
<b>3. Review of the Foreign Direct Investment policy - permitting investments from Pakistan: Press Note 3 dated 1<sup>st</sup> August, 2012</b>	
Para 3.1.1 of Circular 1 of Consolidated FDI Policy 2012 states that investment from a citizen or an entity incorporated in Pakistan is not permitted	Para 3.1.1 of Circular 1 of Consolidated FDI Policy has been amended and now states that a citizen or an entity incorporated in Bangladesh can only invest under the Govt. route. A citizen or an entity incorporated in Pakistan can only invest under the Govt. route, in sectors/activities other than defence, space and atomic energy.
<b>4. Liberalization of the Policy in Multi Brand Retail Trading: Press Note 5 dated 20<sup>th</sup> September 2012</b>	
Foreign Direct Investment (FDI) is prohibited in retail trading, except in single-brand product retail trading, in which FDI, up to 100%, is permitted, under the Government route, subject to specified conditions	<p>A new Para 6.2.16.5 has been inserted which states that prior approval of Government would be required for 51 % share in foreign investment in Multi Brand retail trading some of the conditions:</p> <ol style="list-style-type: none"> <li>Fresh agricultural produce, including fruits, vegetables, flowers, grains, pulses, fresh poultry, fishery and meat products, may be unbranded.</li> <li>Minimum amount to be brought in, as FDI, by the foreign investor, would be US \$ 100 million.</li> <li>At least 50% of total FDI brought in shall be invested in 'backend infrastructure' within three years of the first tranche of FDI, where 'back-end infrastructure' will include capital expenditure on all activities.</li> <li>At least 30% of the value of procurement of manufactured! Processed products purchased shall be sourced from Indian 'small industries' which have a total investment in plant &amp; machinery not exceeding US \$ .1.00 million. This valuation refers to the value at the time of installation, without providing for depreciation. Further, if at any point in time, this valuation is exceeded, the industry shall not qualify as a 'small industry' for this purpose. This procurement requirement would have to be met, in the first instance, as an average of five years' total value of the manufactured! processed products purchased, beginning 1st April of the year during which the first tranche of FDI is received. Thereafter, it would have to be met on an annual basis.</li> <li>Self-certification by the company, to ensure compliance of the conditions at serial nos. (ii), (iii) and (iv) above, which could be crosschecked, as and when required. Accordingly, the investors shall maintain accounts, duly certified by statutory auditors.</li> <li>Retail sales outlets may be set up only in cities with a population of more than 10 lakh as per 2011 Census and may also cover an area of 10 kms around the municipal/urban agglomeration limits of such cities; retail locations will be restricted to conforming areas as per the Master/Zonal Plans of the concerned cities and</li> </ol>



	<p>provision will be made for requisite facilities such as transport connectivity and parking; In States/ Union Territories not having cities with population of more than 10 lakh as per 2011 Census, retail sales outlets may be set up in the cities of their choice, preferably the largest city and may also cover an area of 10 kms around the municipal/urban agglomeration limits of such cities. The locations of such outlets will be restricted to conforming areas, as per the Master/Zonal Plans of the concerned cities and provision will be made for requisite facilities such as transport connectivity and parking.</p> <p>g) Government will have the first right to procurement of agricultural products.</p> <p>h) The above policy is an enabling policy only and the State Governments/ Union Territories would be free to take their own decisions in regard to implementation of the policy. Therefore, retail sales outlets may be set up in those States/ Union Territories which have agreed, or agree in future, to allow FDI in MBRT under this policy. The list of States/ Union Territories which have conveyed their agreement is annexed. Such agreement, in future, to permit establishment of retail outlets under this policy, would be conveyed to the Government of India through the Department of Industrial Policy &amp; Promotion and additions would be made to the annexed list accordingly. The establishment of the retail sales outlets will be in compliance of applicable State/Union Territory laws/ regulations, such as the Shops and Establishments Act etc.</p> <p>i) Retail trading, in any form, by means of e-commerce, would not be permissible, for companies with FDI, engaged in the activity of multi-brand retail trading.</p> <ul style="list-style-type: none"> <li>• Applications would be processed in the Department of Industrial Policy &amp; Promotion, to determine whether the proposed investment satisfies the notified guidelines, before being considered by the FIPB for Government approval.</li> </ul>
<b>5. FDI in Air Transport Services: Press Note 6 dated 20<sup>th</sup> September 2012</b>	
<p>Para 6.2.9.3 of Circular 1 of Consolidated FDI Policy 2012 states that:</p> <ul style="list-style-type: none"> <li>• No foreign airlines would be allowed to participate directly or indirectly in the equity of an Air Transport Undertaking engaged in operating Scheduled and Non-Scheduled Air Transport Services except Cargo airlines</li> <li>• Foreign airlines are allowed to participate in the equity of companies operating Cargo airlines, helicopter and seaplane services.</li> </ul>	<p>Para 6.2.9.3 has been amended and reads as follows:</p> <ul style="list-style-type: none"> <li>• Foreign airlines are allowed to participate in the equity of companies operating Cargo airlines, helicopter and seaplane services, as per the limits and entry routes mentioned above.</li> <li>• Foreign airlines are also, henceforth, allowed to invest, in the capital of Indian companies, operating scheduled and non-scheduled air transport services, up to the limit of 49% of their paid-up capital. Such investment would be subject to the following conditions: <ul style="list-style-type: none"> <li>i. It would be made under the Government approval route.</li> <li>ii. The 49% limit will subsume FDI and FII investment.</li> <li>iii. The investments so made would need to comply with the relevant regulations of SEBI, such as the Issue of Capital and Disclosure Requirements (ICDR) Regulations/ Substantial Acquisition of Shares and Takeovers (SAST) Regulations, as well as other applicable rules and regulations.</li> <li>iv. A Scheduled Operator's Permit can be granted only to a company: <ul style="list-style-type: none"> <li>a) That is registered and has its principal place of business within</li> </ul> </li> </ul> </li> </ul>



	<p>India;</p> <p>b) The Chairman and at least two-thirds of the Directors of which are citizens of India; and</p> <p>c) The substantial ownership and effective control of which is vested in Indian nationals.</p> <p>v. All foreign nationals likely to be associated with Indian scheduled and non-scheduled air transport services, as a result of such investment shall be cleared from security view point before deployment; and</p> <p>vi. All technical equipment that might be imported into India as a result of such investment shall require clearance from the relevant authority in the Ministry of Civil Aviation.</p> <ul style="list-style-type: none"> <li>The policy mentioned at (c) above is not applicable to M/s Air India Limited.</li> </ul>												
<b>6. Foreign Investment (FI) in companies operating in the Broadcasting Sector dated 20<sup>th</sup> September 2012. Press Note 7 dated 20<sup>th</sup> September 2012</b>													
<p>Para 6.2.7 of Circular 1 of Consolidated FDI Policy states</p> <p>The foreign investment (FI) limits, in companies operating in the Broadcasting Sector, are set out in paragraph 6.2.7 of 'Circular 1 of 2012 - Consolidated FDI Policy'</p>	<p>6.2.7.1 has been amended as</p> <table> <tr> <td>Teleports</td><td>Automatic upto 49%</td></tr> <tr> <td>Direct to Home (DTH) Cable networks (MSOs) Mobile TV Headend in the Sky Broadcasting services</td><td>Government route beyond 49% and upto 74%</td></tr> <tr> <td>Cable Networks</td><td>49% Automatic</td></tr> <tr> <td>Territorial Broadcasting- (FM Radio)</td><td>26% Government</td></tr> <tr> <td>Up-linking of 'News &amp; Current-Affairs' TV Channels</td><td>26% Government</td></tr> <tr> <td>Up-linking of Non-'News Current Affairs' TV Channels/ Down-linking of TV Channels</td><td>100% Government</td></tr> </table> <p>Other conditions to be followed :</p> <ul style="list-style-type: none"> <li>FDI for Up-linking/Down-linking TV Channels will be subject to compliance with the relevant Up-linking/Down-linking Policy notified by the Ministry of Information &amp; Broadcasting from time to time.</li> <li>Foreign investment (FI) in companies engaged in all the aforesaid services will be subject to relevant regulations and such terms and conditions, as may be specified from time to time, by the Ministry of</li> </ul>	Teleports	Automatic upto 49%	Direct to Home (DTH) Cable networks (MSOs) Mobile TV Headend in the Sky Broadcasting services	Government route beyond 49% and upto 74%	Cable Networks	49% Automatic	Territorial Broadcasting- (FM Radio)	26% Government	Up-linking of 'News & Current-Affairs' TV Channels	26% Government	Up-linking of Non-'News Current Affairs' TV Channels/ Down-linking of TV Channels	100% Government
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Up-linking of 'News & Current-Affairs' TV Channels	26% Government												
Up-linking of Non-'News Current Affairs' TV Channels/ Down-linking of TV Channels	100% Government												

	<p>Information and Broadcasting.</p> <ul style="list-style-type: none"> <li>• The foreign investment (FI) limit in companies engaged in the aforesaid activities shall include, in addition to FDI, investment by Foreign Institutional Investors (FIIs), Non-Resident Indians (NRIs), Foreign Currency Convertible Bonds (FCCBs), American Depository Receipts (ADRs), Global Depository Receipts (GDRs) and convertible preference shares held by foreign entities.</li> <li>• Foreign investment in the aforesaid broadcasting carriage services will be subject to the following security conditions/terms:</li> </ul> <p><b>Mandatory Requirement for Key Executives of the Company</b></p> <p>(i) The majority of Directors on the Board of the Company shall be Indian Citizens.</p> <p>(ii) The Chief Executive Officer (CEO), Chief Officer In-charge of technical network operations and Chief Security Officer should be resident Indian Citizens.</p> <p><b>Security Clearance of Personnel</b></p> <p>(iii) The Company, all Directors on the Board of Directors and such key executives like Managing Director / Chief Executive Officer, Chief Financial Officer (CFO), Chief Security Officer (CSO), Chief Technical Officer (CTO), Chief Operating Officer (COO), shareholders who individually hold 10% or more paid-up capital in the company and any other category, as may be specified by the Ministry of Information and Broadcasting from time to time, shall require to be security cleared.</p> <p>In case of the appointment of Directors on the Board of the Company and such key executives like Managing Director / Chief Executive Officer, Chief Financial Officer (CFO), Chief Security Officer (CSO), Chief Technical Officer (CTO), Chief Operating Officer (COO), etc., as may be specified by the Ministry of Information and Broadcasting from time to time, prior permission of the Ministry of Information and Broadcasting shall have to be obtained.</p> <p>It shall be obligatory on the part of the company to also take prior permission from the Ministry of Information and Broadcasting before effecting any change in the Board of Directors.</p> <p>(iv) The Company shall be required to obtain security clearance of all foreign personnel likely to be deployed for more than 60 days in a year by way of appointment, contract, and consultancy or in any other capacity for installation, maintenance, operation or any other services prior to their deployment. The security clearance shall be required to be obtained every two years.</p> <p><b>Permission vis-a-vis Security Clearance</b></p> <p>(v) The permission shall be subject to permission holder/licensee remaining security cleared throughout the currency of permission. In</p>
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	<p>case the security clearance is withdrawn the permission granted is liable to be terminated forthwith.</p> <p>(vi) In the event of security clearance of any of the persons associated with the permission holder/licensee or foreign personnel is denied or withdrawn for any reasons whatsoever, the permission holder/licensee will ensure that the concerned person resigns or his services terminated forthwith after receiving such directives from the Government, failing which the permission/license granted shall be revoked and the company shall be disqualified to hold any such Permission/license in future for a period or five years.</p> <p><b>Infrastructure/Network/Software related requirement</b></p> <p>(vii) The officers/officials of the licensee companies dealing with the lawful interception of Services will be resident India citizens.</p> <p>(viii) Details of infrastructure/network diagram (technical details of the network) could be provided, on a need basis only, to equipment suppliers/manufactures and the affiliate of the licensee company. Clearance from the licensor would be required if such information is to be provided to anybody else.</p> <p>(ix) The Company shall not transfer the subscribers' databases to any person/place outside India unless permitted by relevant Law.</p> <p>(x) The Company must provide traceable identity of their subscribers.</p> <p><b>Monitoring, Inspection and Submission of Information</b></p> <p>(xi) The Company should ensure that necessary provision (hardware/software) is available in their equipment for doing the Lawful interception and monitoring from a centralized location as an when required by Government.</p> <p>(xii) The company, at its own costs, shall, on demand by the government or its authorized representative, provide the necessary equipment, services and facilities at designated place( s) for continuous monitoring or the broadcasting service by or under supervision of the Government or its authorized representative.</p> <p>(xiii) The Government of India, Ministry of Information &amp; Broadcasting or its authorized representative shall have the right to inspect the broadcasting facilities. No prior permission/intimation shall be required to exercise the right of Government or its authorized representative to carry out the inspection. The company will, if required by the Government its authorized representative, provide necessary facilities for continuous monitoring for any particular aspect of the company's activities and operations. Continuous monitoring, however, will be confined only to security related aspects, including screening of objectionable content.</p> <p>(xiv) The inspection will ordinarily be carried out by the government of India, Ministry of Information &amp; Broadcasting or its authorized representative after reasonable notice, except in circumstances where giving such a notice will defeat the very purpose of the inspection.</p> <p>(xv) The company shall submit such information with respect to its services as may be required by the Government or its authorized</p>
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	<p>representative, in the format as may be required, from time to time.</p> <p>(xvi) The permission holder/licensee shall be liable to furnish the Government of India or its authorized representative or TRAI or its authorized representative, such reports, accounts, estimates, returns or such other relevant information and at such periodic intervals or such times as may be required.</p> <p>(xvii) The service providers should familiarize/train designated officials or the Government or officials of TRAI or its authorized representative(s) in respect of relevant operations/features of their systems.</p> <p><b>National Security Conditions</b></p> <p>(xviii) It shall be open to the licensor to restrict the Licensee Company from operating in any sensitive area from the National Security angle. The Government of India, Ministry of Information and Broadcasting shall have the right to temporally suspend the permission of the permission holder/Licensee in public interest or for national security for such period or periods as it may direct. The company shall immediately comply with any directives issued in this regard failing which the permission issued shall be revoked and the company disqualified to hold any such permission in further for a period of five years.</p> <p>(xix) The company shall not import or utilize any equipment, which are identified as unlawful and/or render network security vulnerable.</p> <p><b>Other conditions</b></p> <p>(xx) Licensor reserves the right to modify these conditions or incorporate new conditions considered necessary in the interest of national security and public interest or for proper provision of broadcasting services.</p> <p>(xxi) Licensee will ensure that broadcasting service installation carried out by it should not become a safety hazard and is not in contravention of any statute, rule or regulation and public policy.</p>
<b>7. Foreign investment in Power Exchanges Press Note 8 dated 20<sup>th</sup> September 2012</b>	
FDI, up to 100%, under the automatic route, is permitted in the power sector (except atomic energy). This includes generation, transmission and distribution of electricity, as well as power trading, subject to the provisions of the Electricity Act, 2003.	<p>Para 6.2.26 has been inserted which reads as follows</p> <ul style="list-style-type: none"> <li>• Power Exchanges registered under the Central Electricity Regulatory Commission (Power Market) Regulations, 2010)– 49% FDI and FII, Govt route for FDI.</li> <li>• Other conditions <ul style="list-style-type: none"> <li>a) Such foreign investment would be subject to an FDI limit of 26 per cent and an FII limit of 23 per cent of the paid-up capital;</li> <li>b) FII investments would be permitted under the automatic route and FDI would be permitted under the government approval route;</li> <li>c) FII purchases shall be restricted to secondary market only;</li> <li>d) No non-resident investor/ entity, including persons acting in concert, will hold more than 5% of the equity in these companies</li> <li>e) The foreign investment would be in compliance with SEBI Regulations; other applicable laws/ regulations; security and</li> </ul> </li> </ul>

	other conditionalities.
<b>8. Setting up of step down (operating) subsidiaries by NBFCs having foreign investment above 75% and below 100% and with a minimum capitalization of US \$50 million. Press Note 9 dated 03<sup>rd</sup> October, 2012</b>	
As per paragraph 6.2.24.2 (1) (iv) of Circular 1 of 2012- Consolidated FDI Policy', 100% foreign owned NBFCs with a minimum capitalization of US\$ 50 million can set up step down subsidiaries for specific NBFC activities, without any restriction on the number of operating subsidiaries and without bringing in additional capital.	Para 6.2.24.2 (1) has been amended and reads as follows; NBFCs (i) having foreign investment more than 75% and up to 100%, and (ii) with a minimum capitalisation of US\$ 50 million, can set up step down subsidiaries for specific NBFC activities, without any restriction on the number of operating subsidiaries and without bringing in additional capital. The minimum capitalization condition as mandated by para 3.10.4.1 of the above Circular, therefore, shall not apply to downstream subsidiaries.

<b>Table 4.3: Changes in FDI Policy during 2013</b>	
<b>1. FDI in the Multi Brand Retail Trading Sector: Press Note 1 dated 03 June, 2013 and Press Note 3 dated 4<sup>th</sup> July, 2013</b>	
Para 6.2.16.5 (2) of Circular 1 of the Consolidated FDI Policy states FDI upto 51% under the Govt approval route is permitted in states Andhra Pradesh, Assam, Delhi, Haryana, Jammu and Kashmir, Maharashtra, Manipur, Rajasthan, Uttarakhand, Daman and Diu and Nagar Haveli.	<b>Press Note 1</b> Para 6.2.16.5 (2) has been amended and reads as follows ; The Govt of Himachal Pradesh has given its consent to implement the policy of multi brand trading in Himachal Pradesh in terms of para 6.2.16.5(1) (viii). <b>Press Note 3</b> The Govt of Karnataka has given its consent to implement the policy of multi brand trading in Karnataka in terms of para 6.2.16.5(1) (viii).
<b>2. FDI Policy –definition of “Group Company”: Press Note 2 dated 03 June, 2013</b>	
The definition of ‘Group Company’ was not there in the FDI Policy	Para 2.1.15 has been inserted to define ‘Group Company’ which means two or more enterprises which directly or indirectly are in the position to (i) exercise 26% or more voting rights in other enterprise (ii) appoint more than 50% of members of board of directors in the other enterprise
<b>3. FDI Policy- definition of the term “Control” for calculation of total foreign investment i.e. direct and indirect investments in Indian Companies : Press Note 4 dated 22<sup>nd</sup> August, 2013</b>	
Para 2.1.7 of Circular 1 of the Consolidated FDI Policy defines the term “control” as a “company is considered as “controlled” by resident Indian citizens if the resident Indian citizen and Indian Companies, which are owned and controlled by resident Indian citizens have the power to appoint a majority of the directors in that company	Para 2.1.7 has been amended and the definition has been revised which reads as follows; “Control” shall include the right to appoint a majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements.”
Consequently, companies previously considered to be ‘Indian’ may now be viewed as foreign controlled and subject to FDI caps and restrictions on downstream investment.	
<b>4. FDI in the Multi Brand Retail Trading Sector: Press Note 5 dated 22<sup>nd</sup> August 2013</b>	
Para 6.2.16.5 (iii) (iv) and (vi) of Circular 1 of the Consolidated FDI	Para 6.2.16.5 (iii) (iv) and (vi) have been amended and reads as follows;

<p>Policy states</p> <ul style="list-style-type: none"> <li>At least 50% of total FDI brought in shall be invested in 'backend infrastructure' within three years of the first tranche of FDI, where 'back-end infrastructure' will include capital expenditure on all activities.</li> <li>At least 30% of the value of procurement of manufactured/processed products purchased shall be sourced from Indian 'small industries' which have a total investment in plant &amp; machinery not exceeding US \$ 1.00 million</li> <li>Retail sales outlets may be set up only in cities with a population of more than 10 lakhs and may also cover an area of 10 kms around the municipal limits of such cities; retail locations will be restricted to conforming areas as per master/zonal plans of the concerned cities and provisions will be made for requisite facilities such as transport and parking.</li> </ul>	<ul style="list-style-type: none"> <li>At least 50% of total FDI brought in the first tranche of US \$ 100 million shall be invested in 'backend infrastructure' within three years of the first tranche of FDI, where 'back-end infrastructure' will include capital expenditure on all activities, excluding that on front-end units; for instance, back-end infrastructure will include investment made towards processing, manufacturing, distribution, design improvement, quality control, packaging, logistics, storage, ware-house, agriculture market produce infrastructure etc. Expenditure on land cost and rentals, if any, will not be counted for purposes of backend infrastructure. Subsequent investment in the backend infrastructure would be made by the MBRT retailer as needed, depending upon its business requirements.</li> <li>At least 30% of the value of procurement of manufactured/ processed products purchased shall be sourced from Indian 'small industries' which have a total investment in plant &amp; machinery not exceeding US \$ 2.00 million. This valuation refers to the value at the time of installation, without providing for depreciation. The 'small industry' status would be reckoned only at the time of first engagement with the retailer and such industry shall continue to qualify as a 'small industry' for this purpose even if it outgrows the said investment of US\$ 2.00 million, during the course of its relationship with the said retailer. Sourcing from agricultural co-operatives and farmers co-operatives would also be considered in this category. The procurement requirement would have to be met, in the first instance, as an average of five years' total value of the manufactured/processed products purchased, beginning 1st April of the year during which the first tranche of FDI is received. Thereafter, it would have to be met on an annual basis.</li> <li>Retail sales outlets may be set up only in cities with a population of more than 10 lakhs or any other cities as per the decision of the respective state Governments and may also cover an area of 10 kms around the municipal limits of such cities; retail locations will be restricted to conforming areas as per master/zonal plans of the concerned cities and provisions will be made for requisite facilities such as transport and parking.</li> </ul>
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#### 5. Caps and routes in various sectors: Press Note 6 dated 22<sup>nd</sup> August 2013

<ul style="list-style-type: none"> <li>Para 6.2.2 relating to tea sector</li> <li>Para 6.2.4.2 -Petroleum and natural gas Prior approval of government is required for 49% share of FDI.</li> <li>Para 6.2.6 –Defence Prior approval of government is required for 26% share of FDI.</li> </ul>	<ul style="list-style-type: none"> <li>Clause (i) under other conditions enumerated in Para 6.2.2.2 is deleted which reads as follows compulsory divestment of 26% equity of the company in favour of an Indian partner/Indian public within a period of 5 years.</li> <li>Para 6.2.4.2 has been amended and no approval of government is required and has come under the automatic route for 49% share of FDI.</li> <li>Para 6.2.6 has been amended. Upto 26% of the share prior approval of government is required, and above 26% to cabinet committee of security on case to case basis, which ensure access to modern and state of art technology in the country. Some of the additional clauses have been included, like: Investment by Foreign Institutional Investors</li> </ul>
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<ul style="list-style-type: none"> <li>• Para 6.2.17.1.2 – Other conditions reads persons resident outside India can invest in the capital of ARCs registered with RBI only under the Government route.</li> <li>• Para 6.2.17.4.2-Commodity exchanges Government approval is required for \$(% (FDI and FII) ]Investment by registered FII under portfolio Investment scheme(PIS) will be limited to 23% and investment under FDI scheme limited to 26%]</li> <li>• Para 6.2.17.5.1-Credit Information companies- Govt approval; is required for 49% (FDI+FII). Para 6.2.17.5.2 -clause 3 under other conditions which reads investment by a registered FII under the Portfolio Investment Scheme would be permitted upto 24% only in the CICs listed at the Stock Exchanges within the overall limit of 49% for foreign investment.</li> <li>• Para 6.2.17.6.1 Infrastructure company in the Securities Market –Govt approval is required for 49% (FDI+ FII) ]FDI limit of 26% and FII limit of 23% ]</li> <li>• Para 6.2.19.1 Power exchanges –Govt approval for 49%(FDI+FII){26% FDI &amp; 23% FII]</li> </ul>	<ul style="list-style-type: none"> <li>• Para 6.2.17.1.2 Other conditions has been amended and reads as follows persons resident outside India can invest in the capital of ARCs registered with RBI upto 49% on the automatic route and beyond 49% under the Government route.</li> <li>• Para 6.2.17.4.2 has been amended and brought under the automatic route. And a clause (iii) is added under other conditions listed in para 6.2.17.4.3 which reads as follows foreign investment in commodity exchanges will be subject to the guidelines of the Department of Consumer Affairs /Forward Markets Commission (FMC)</li> <li>• Para 6.2.17.5.1 has been amended and has come under the automatic route with FDI cap of 74%. Para 6.2.17.5.2 clause 3 under other conditions has been amended which reads investment by a registered FII under the Portfolio Investment Scheme would be permitted upto 24% only in the CICs listed at the Stock Exchanges within the overall limit of 74 % for foreign investment</li> <li>• Para 6.2.17.6.1 has been amended and now falls under the Automatic route. Para 6.2.19.1 has been amended and now falls under the Automatic route.</li> </ul> <p>The clause (ii) under ‘Other conditions’ listed in paragraph 6.2.19.2 is deleted:</p> <p>“(ii) FII investments would be permitted under the automatic route and FDI would be permitted under the government approval route.”</p>
<b>6. Issue of shares by Indian Companies under FCCB/ADR/GDR: Press Note 7 w.e.f 03 December 2013</b>	
<ul style="list-style-type: none"> <li>• Para 3.3.4 Unlisted companies, which have not yet accessed the ADR/GDR route for raising capital in the international market, would require prior or simultaneous listing in the domestic market, while seeking to issue such overseas instruments.</li> <li>• Unlisted companies, which have already issued ADRs/GDRs in the international market, have to list in the domestic market on making profit or within three years of such issue of ADRs/GDRs, whichever is earlier. ADRs / GDRs are issued on the basis of the ratio worked out by the Indian company in consultation with the Lead Manager to the issue. The proceeds so raised have to be kept abroad till actually required in India. Pending repatriation or utilization of the</li> </ul>	<ul style="list-style-type: none"> <li>• Para 3.3.4 has been amended and reads as follows now</li> <li>• Unlisted companies shall be allowed to raise additional capital abroad without the requirement of prior listing in India initially for a period of 2 years subject to the following conditions :             <ul style="list-style-type: none"> <li>a) Unlisted companies shall list only on exchanges in IOSCO/FATF compliant jurisdictions or the jurisdictions with which SEBI has bilateral agreements.</li> <li>b) The Companies shall file a copy of the return which they submit to the proposed exchange/regulators also to SEBI for the purpose of Prevention of Money Laundering Act (PMLA). They shall comply with SEBI’s disclosure</li> </ul> </li> </ul>



proceeds, the Indian company can invest the funds in:-	requirements in addition to that of the primary exchange prior to the listing abroad;
a) Deposits, Certificate of Deposits or other instruments offered by banks rated by Standard and Poor, Fitch, IBCA ,Moody's, etc. with rating not below the rating stipulated by Reserve Bank from time to time for the purpose;	c) While raising resources abroad, the listing company shall be fully compliant with the FDI policy in force;
b) Deposits with branch/es of Indian Authorized Dealers outside India; and	d) The capital raised may be utilized for retiring outstanding overseas debt or for operations abroad including for acquisitions.
c) Treasury bills and other monetary instruments with a maturity or unexpired maturity of one year or less.	e) In case the funds are not utilized as above then such money shall be remitted back to India within 15 days and such money shall be parked only in AD category banks recognized by RBI and may be used domestically.

**Table 4.4: Liberalization of Policy: the final picture before and after changes**

Sector/Industry	Before change		After change	
	Investment Cap	Approval Route	Investment Cap	Approval Route
Commodity Exchanges	49% (FDI & FII) FDI Cap : 26% FII Cap : 23%	Government	49% (FDI & FII) FDI Cap : 26% FII Cap : 23%	Automatic
Power Exchanges	49% (FDI & FII) FDI Cap : 26% FII Cap : 23%	Government	49% (FDI & FII) FDI Cap : 26% FII Cap : 23%	Automatic
Stock Exchanges, Depositories, Clearing Corporations	49% (FDI & FII) FDI Cap : 26% FII Cap : 23%	Government	49% (FDI & FII) FDI Cap : 26% FII Cap : 23%	Automatic
Asset Reconstruction	74% (FDI + FII)	Government	Up to 49%	Automatic
			49% and 100%	Government
Credit Information	49% (FDI & FII) FII Cap : 24%	Government	74% FII Cap : 24%	Automatic
Telecom Services	Up to 49%	Automatic	Up to 49%	Automatic
	Above 49% and up to 74%	Government	Above 49% and up to 100%	Government
Courier Services	100%	Government	100%	Automatic
Test Marketing	100%	Government	100%	Automatic
Petroleum Refining by Public Sector Undertakings	49%	Government	49%	Automatic
Defense Production	26%	Government	26%	Government (only FDI, no FII)
			Above 26%	Cabinet Committee of Security on Case to Case basis (only FDI, no FII)

FDI caps in the following sectors have been unchanged in 2013:

- Civil aviation in Ground handling services (49 percent FDI cap, above 49 percent and upto 74 percent possible via government route)
- Airports (74 percent FDI cap, above 74 percent possible via government route)
- Print media (26 percent FDI cap under the Government route)
- Brownfield pharmaceuticals (100 percent FDI cap, only via government route)
- Multi-brand retail (51 percent, only via government route)

# Chapter 5

## 5. Conclusion

- Foreign direct investment through the FIPB route is a very important energizer of economy. The proposals that need FIPB approval usually pertain to sensitive sectors or have potential to significantly impact the market equilibrium or dynamics, thereby requiring in-depth scrutiny, sensitivity and delicate handling. FIPB faces the unique challenge of ascertaining and balancing the potential gains and risks for the country.
- The decisions have also been challenged in Courts. It is not only the decision of having approved or rejected a proposal but also the process of decision making which is required to be fair, transparent, quick and objective. FIPB in functioning has imbibed these principles and is striving to further strengthen its delivery mechanism.
- In 2010 the online application for FIPB approval was made mandatory. This year in 2014 we promise to make the FIPB website more user friendly and informative.
- It has been our effort to reduce the time taken in listing of the cases and decisions on the matter. FIPB has continuously endeavored to reduce such time and in this regard have also sought the cooperation of the administrative ministries in provide their final comments on the proposal at the earliest.
- FIPB is the machinery through which the FDI policy executes. The discussion many a times in FIPB over real time issues has generated debates within the policy makers. The feedback from the “Kurukshetra of FDI” has enabled the policy makers to revise and update the policies with the current needs.
- The FIPB has met regularly in the Review period and the numbers of meetings have steadily increased [10 in 2011 to 15 in 2013]. We renew our commitment in providing a transparent, efficient and investor friendly platform for foreign direct investment proposals.

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# Appendix

## i) List of proposals approved in 2011

	Name of the Applicant	Country of FDI Inflow	Proposal	FDI in Rs Cr
<b>Agriculture &amp; Allied Activities</b>				
1	M/s Shanbagam Estate Pvt. Ltd.	USA	Ex post facto approval for induction of foreign equity to carry out the activities of "Floriculture and Horticulture and cultivation of vegetables and mushroom under controlled conditions".	22.05
2	M/s Apeejay Surrendra Corporate Services Pvt. Ltd.	UK	To take on record the non-resident shareholding in company engaged in the business of growing, manufacturing and trading in tea, consequent upon the schemes of amalgamation.	No fresh inflow
3	M/s Global Gourmet Pvt. Ltd.	USA	Ex-post facto approval for issue of shares on partly paid basis to undertake processing of all kinds of vegetarian foods/ non-vegetarian foods and beverages.	4.80
4	M/s Pran Beverages (India) Pvt. Ltd	Bangladesh	Induction of foreign equity by a company from Bangladesh.	16.45
5	M/s Jindal Agro Processing Pvt Ltd	USA	Transfer of shares by way of share swap. The company is engaged in the business of manufacture and export of ready to eat food.	Nil
6	M/s Jay Shree Tea & Industries Ltd.	QIBs including FIIs	Induction of foreign equity by way of issue of QIPs to carry out the business of tea plantation and manufacture of tea, fertilizer and sugar.	60.00
7	M/s Darjeeling Organic Tea Estates Pvt. Ltd.	UK	Induction of foreign equity and foreign collaborator to carry out the business of production, distribution and export of tea.	93.38
<b>Chemical &amp; Petrochemicals</b>				
1	M/s Rhodia S.A.	France	To set up a WOS to undertake the activities relating to manufacturing chemicals relating to polyamide meant for engineering plastics and silica. The proposal attracts para 4.2.2.2 of Circular No. 2 of 2010 of the Consolidated FDI Policy.	0.05
2	M/s Titan HMG Paints India Ltd	UK	Ex-post-facto approval for induction of foreign investment in SSI unit.	0.62
3	M/s Vivimed Labs Ltd.	Mauritius	Ex-post-facto approval for issue of warrants to undertake manufacturing of organic chemicals and pharmaceuticals.	3.75
4	M/s Cals Refineries Ltd., Delhi & Haryana	British Virgin Islands	To issue equity shares in the form GDRs against supply of refinery equipment.	1,425.00
5	M/s Vivimed Labs Ltd.	USA	Transfer of shares by way of share swap.	Nil
6	M/s Sabero Organics Gujarat Ltd	British Virgin Islands	Ex-post-facto approval for issuance of warrants. The company is engaged in the business of producing insecticides, herbicides, fungicides and specialty chemicals.	9.80
<b>Civil Aviation</b>				
1	M/s GMR Airports Holding Ltd.	Mauritius	Induction of additional foreign equity and foreign investor in an investing company, in addition to ` 960 crore already approved but not brought in.	1920.00
2	M/s Celebi Hava Servici A.S	Turkey	Transfer of shares from Non-Resident (NR) to NR to carry out the third party Ground Handling Services at Mumbai Airport.	No Fresh Inflow
3	M/s Air Works India (Engineering) Pvt. Ltd	USA	To act as investing-cum-operating company to make downstream investments in companies in India, engaged in the aviation services business.	18.00
4	M/s Air Charter Service Group Plc	UK	To incorporate a company for the purpose of providing brokerage services for aircraft charter with foreign investment	0.81

			of 74 percent.	
<b>Courier &amp; Logistic Services</b>				
1	M/s Aramex India Pvt. Ltd.	Bermuda, Mauritius	Induction of foreign equity to carry out the business of promoting, providing operation handling organized courier and cargo services.	26.00
2	M/s VRL Logistics Ltd.	FIIs/FVCIs/multilateral and bilateral development financial institution	Induction of foreign investment through an IPO to carry out the business of transportation of goods and passengers, Courier services other than postal services, aircraft charter services, and wind power generation, involving the installation and sale of electricity produced by wind power generators.	Not indicated
3	M/s Europ Assistance India Private Limited	France	Ex-post-facto approval for conversion of pre-incorporation expenses to carry out the business of providing services related to travel, automobile and medical and act as logistic in-house for travel related activity.	0.15
4	M/s Allcargo Global Logistics Ltd	Mauritius	Ex post facto approval to issue and allot optionally convertible warrants to carry out the business of logistics business comprise of the Multi-modal Transport Operations, Inland Container Depot/Container Freight Stations, Project Cargo Handling, Equipment Hiring, Warehousing.	141.36
5	M/s Tri-Net Logistics (Asia) Pte. Ltd.	Singapore	To set up a JV to undertake the business of domestic warehousing operations, inland transportation.	6.63
<b>Defence Production</b>				
1	M/s ABG Shipyard Ltd.	FIIs & NRIs	To enter into new activity in Defence Contracts.	No fresh inflow
2	M/s Jubilant Aeronautics Pvt. Ltd.	Israel	Induction of foreign equity to carry out the manufacturing of different types of Unmanned Aerial Systems (UAS) and accessories in defence sector.	0.0026
3	M/s Maini Precision Products Pvt. Ltd.	Mauritius	To undertake defence related additional activities of manufacture of parts and accessories of aircrafts, spacecrafts.	No fresh inflow
4	M/s Park Controls & Communications Ltd., Bangalore	Singapore	Ex-post-facto approval for induction of foreign investment to carry out the defence related activity.	0.10
5	M/s Centum Electronics Ltd.	NRIs+FIIs	To undertake additional activities related to defence sector.	No fresh inflow
6	M/s NCBG Holdings Inc	Cayman Islands	Induction of foreign equity in an Indian company to undertake the manufacturing of wiring sets including wiring sets of a kind used in vehicles, aircraft, ships or other machinery used in defence industry.	4.45
7	M/s Precision Electronics Ltd	Singapore	To undertake the additional activity in the defence sector.	Nil
8	M/s Pipavav Defence and Offshore Engineering Company Ltd	Mauritius	To make amendment in clause 4 & 7 of FC approval. The company is engaged in the business of shipbuilding, ship repairs, offshore assets production etc. and production of ships/vessels including for defence sector.	81.62
9	M/s Spiral EHL Engineering Pvt. Ltd	Israel	Induction of foreign equity to carry out the business of manufacturing military aero structures and other related items and services.	4.08
10	M/s Indian Rotorcraft Ltd	Netherlands	Induction of foreign equity to carry out the business of final assembly of both military and civil versions of helicopters.	17.42
11	M/s Pipavav Shipyard Ltd.	FIIs	To undertake additional activity relating to defence sector.	Nil
<b>Education</b>				
1	M/s Honda Motors India Pvt. Ltd.	Japan	To set up a vocational training institute for imparting technical and specialized education in the areas related to automobile/supply chain and/ or in related fields by imparting appropriate education/skill/ training in related areas through	Nil

			relevant modular programme/courses	
2	M/s Honda Siel Car India Ltd	Japan	To make investment in setting up of a 'Vocational Training Institution' for imparting technical and specialized education and/or training in the areas related to automobile/supply chain and/or in related fields.	Nil
<b>Environment &amp; Forests</b>				
1	M/s Cerebra Integrated Technologies Ltd.	Singapore	Issue of shares for consideration other than inward remittances.	No fresh inflow
<b>Financial Services</b>				
1	M/s Dhanlaxmi Bank Ltd.	NRIs and/ or FIIs	Increase in foreign investment from 49 per cent to 74 per cent of the issued and paid up equity share capital in banking sector.	5.50
2	M/s MF Global Sify Securities India Pvt. Ltd.	UK	Ex-post facto approval (i) for setting up of step down subsidiaries, including in Commodity Broking and (ii) to use internal accruals/free reserves to make downstream investments required to meet the minimum capitalization norms.	No fresh inflow
3	M/s Shriram Capital Ltd.	Mauritius	Induction of foreign equity in an investing company.	1,180.00
4	M/s L&T Finance Holdings Ltd.	Eligible Non-resident investors	Permission for Pre-IPO placement of equity shares with eligible non- resident investors.	400.00
5	M/s Vertex Securities Ltd	UK	Ex-post-facto approval for non-compliance of minimum capitalization norms.	1.70
6	M/s Deepshika Trading Company Private Limited	Switzerland	To allow conversion of non repatriable shares purchased on payment of foreign exchange into repatriable shares, so as to enable its sale to Resident companies.	No Fresh Inflow
7	M/s Asia Pragati Capfin Private Limited	Cyprus	Conversion of an operating company into an operating cum investing company to make downstream investment in various Indian companies, including Venture Capital Funds, Private Equity Funds and Mutual Funds.	No Fresh Inflow
8	M/s Multiples Equity Fund Trustee Pvt. Ltd	Mauritius	To issue units, to make investments in securities of the Indian companies and to distribute income realized on its investment.	1,000.00
9	M/s Natixis Global Asset Management	France	To invest by way of indirect foreign investment in Pension Fund Subsidiary.	300.00
10	M/s ADM Investor Services International Ltd	UK	To acquire 51% of the enhanced share capital of ADMISI India. The Indian company is engaged in the business of commodity trading.	3.21
11	M/s Ace Derivatives and Commodity Exchange Ltd	FII's	To transfer equity shares of the company engaged in the business of Commodity Exchange to FIIs such that the holding of each FII will not exceed 5 per cent of the equity of the company.	10.53
12	M/s Grameen Finacial Services Pvt Ltd	Mauritius	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
13	M/s Multi Commodity Exchange of India Ltd	USA, Hong Kong	Sale of equity shares through an Initial Public Offering to the prospective purchasers which may be (i) resident Indian nationals, and (ii) SEBI registered FII's. The company is engaged in the business of trading in commodities.	Not indicated
14	M/s Funderburk 2 Mauritius Ltd	Mauritius	To subscribe to equity shares of an Indian company engaged in the business of multi commodity exchange for derivative markets across all commodity segments.	13.75
15	M/s Financial Inclusion Network & Operations Ltd	Mauritius	Ex Post-facto approval for the subscription to equity shares without satisfying the minimum capitalization requirements for FDI in NBFCs.	0.24
16	M/s Equitas Micro Finance India Private Ltd	Mauritius, Italy	Approval for demerging of microfinance business with its WoS. Post the demerger, the activity of the company will be NBFC-Core Investment Company.	230.7
17	M/s DMI Finance Private	Mauritius	Induction of foreign equity to carry out the business of	20.66

	Limited		securitization and asset reconstruction.	
18	M/s Angel Infin Pvt. Ltd (M/s Angel Global Pvt. Ltd)	USA	Ex-post-facto approval for issuance/ allotment of warrants. The company is engaged in Downstream investment for share brokerage, Rendering Corporate and Financial advisory services, Portfolio management services, commodities brokerage, distribution of mutual funds and insurance products and software solution services.	0.93
<b>Information &amp; Broadcasting</b>				
1	M/s G+J International Magazines GmbH	Germany	Induction of foreign equity to carry out the business of publication and sale of specialty and life style magazines in India.	7.35
2	M/s Reliance Broadcast Network Ltd.	FII, PIOs & NRIs	Induction of foreign investment by FIIs, NRIs by way of fresh allotment of shares by private placement or otherwise and/or investments through Stock Exchanges by way of portfolio investments, up to the limit of 20% of the total paid up capital of the company. The company is engaged in FM Radio Broadcasting.	45.47
3	M/s INX Media Pvt. Ltd.	Mauritius	To amend the FC approval to increase foreign investment level.	55.00
4	M/s Word of God Fellowship, Inc.	USA	To set up a WOS to undertake the business of Broadcasting -downlinking and distributing to cable operators a non-news and non-current affairs channel.	1.60
5	M/s Lokmat Media Limited	IPO	Induction of foreign equity by way of IPO, including issuance and allotment of equity shares to person resident outside India, including FIIs, foreign VCFs, multilateral and bilateral financial institutions and non-resident Indians to carry out the business of publishing of newspapers dealing with news and current affairs.	13.83
6	M/s iFast Financial India Pvt. Ltd.	Singapore	To engage in the business of publishing magazine.	15.70
7	M/s Vogel Business Media India Pvt. Ltd.	Germany	Induction of FDI up to 100 per cent to carry out the business of publishing/ printing of scientific and technical magazines/ specialty journals/periodicals.	0.01
8	M/s What's On India Media Pvt. Ltd.	Mauritius	Induction of foreign equity by way of issue of preference shares to carry out the business of TV channel license for up-linking a non-news and current affairs TV channel.	0.99
9	M/s Star News Broadcasting Ltd. (Touch Tele Content (I) Ltd.)	British Virgin Islands	Ex post facto approval on the advice of RBI. The company is engaged in the business of providing support services to other media companies and to undertake the business of creating owning and distributing non-news and current affairs television channels.	No Fresh Inflow
10	M/s Telephoto Entertainments Ltd.,(Name changed to M/s Picturehouse Media Ltd.)	Mauritius	To issue warrants to carry out the business of film and entertainment industry.	5.00
11	M/s Big Showbiz Broadcast Limited	Netherlands	Induction of foreign equity and conversion of operating company into an operating cum investing company to invest, from time to time, in other companies engaged in, or proposing to engage in, up-linking and down-linking of non-news and non-current affairs television channel and/or related activities.	79.14
12	M/s Ortel Communications Limited	Mauritius	To issue equity shares to NR to the extent that the foreign shareholding in the company post the issue shall remain within the ceiling of 49% of its paid equity share capital. The company is engaged in the business of building hybrid fiber coaxial (HFC) communications network to provide a range of telecom value added services such as High Speed Internet Access, Cable Television and Basic Telephony, E-Commerce, and Video Conferencing.	Not specified

13	M/s G+J International Magazines GmbH	Germany	To increase foreign equity percentage to carry out the business of publication and sale of specialty and life style magazines.	21.54
14	M/s Omni Media S.L.	Spain	To set up a WoS to carry out the business of publishing/printing of scientific and technical magazines/ specialty journals/ periodicals.	0.05
15	M/s Wolters Kluwer (India) Pvt. Ltd	Netherlands	To make downstream investment in company engaged in publishing/printing of scientific and technical magazines.	Nil
16	M/s Financial Planning Corporation India Pvt.	France	To undertake the additional activity of publishing specialty journal/magazines pertaining to various aspects of financial planning.	3.51
17	M/s IPFonline Ltd	no country	Induction of foreign equity by way of downstream investment to carry out the business of publishing/printing of technical magazines/ periodicals/journals.	2.24
18	M/s Walt Disney Company India Pvt. Ltd	USA	To undertake the additional activity of Broadcasting and downlinking.	Nil
19	M/s Dish TV India Ltd	Mauritius	Transfer of shares from NR to NR to carry out the business of telecommunication equipment and provide management and marketing of 'agrani' services i.e. in the area of Mobile Satellite Communications.	Nil
20	M/s Burda Gesellschaft mit BeschrAnkte Haftun	Germany	To set up a WoS to engage in the business of (a) publication of magazines/ periodicals/ journals focussing on lifestyle, entertainment, fashion, interior design/ decoration, cars and computer; publishing Indian editions of foreign titles and also editions of Indian titles; (b) custom publishing for third party; and (c) events and matters related to publication of magazines/ periodicals/ journals and promotional activities.	12.85
21	M/s gX Media Pvt. Lt	Mauritius	(i) To increase foreign equity participation from 80% to up to 100%. (ii) To make downstream investments up to 100%.	26.2
22	M/s Whats On India Media Pvt. Ltd	Mauritius	Induction of foreign equity by way of issue and allotment of compulsorily convertible preference shares to carry out the business of TV channel license for up-linking a non-news and current affairs TV channel.	31.49
23	M/s Walt Disney Company (Southeast) Asia Pte Ltd	Singapore	To increase foreign shareholding from 48.02 percent to up to 100 percent to carry out the business of (i) film distribution, (ii) content development and distribution, (iii) animation productions, and (iv) through downstream company to undertake Broadcasting business, by up-linking one or more general entertainment (not being news and current affairs) channel, in addition to the existing activities.	1,638.4
24	M/s NDTV Lifestyle Ltd	Mauritius	Increase in foreign equity up to 100 percent. The company is engaged in the media industry for up-linking, producing, distributing and Broadcasting non-news and non- current affairs TV channels.	Nil
25	M/s Dish TV India Ltd	Mauritius	To increase foreign equity to produce telecommunication equipment and provide management and marketing of 'agrani' services, i.e. in the area of Mobile Satellite Communications.	980
26	M/s Cyquator Media Services Pvt Ltd	Mauritius	Scheme of merger relating to company engaged in the business of providing back-end information technology services and sale of advertisement space in various modes of media.	Nil
27	M/s TV Vision Ltd	FII's	Induction of foreign investment by way of issue of equity shares through an IPO to undertake the business of Broadcasting a non-news and current affairs TV channel.	200
<b>Information Technology &amp; Electronics</b>				
1	M/s PluralSoft Ltd.	USA	Transfers of shares by way of share swap.	No fresh inflow
2	M/s 3DPLM Software Solutions Ltd.	USA	To issue and allot equity shares as stated in the Scheme of Amalgamation and approved by the Hon'ble High Court of Bombay to carry out the business of development of software.	No fresh inflow



3	M/s Kale Consultants	Spain	Ex-post-facto approval for issue of warrants. The company is engaged in IT sector.	97.52
4	M/s InMobi Technologies Private Limited	USA	Transfer of shares by way of shareswap to carry out the business of Developing software and licensing it to Advertising Network related business.	No fresh inflow
5	M/s Ybrant Digital Limited	NRIs, Foreign Nationals and Foreign Body Corporate	Ex post facto approval for issue of warrants to carry out the business of Software Development, IT and IT enabled services.	45.00
6	M/s Cybertech System and Software Ltd	USA	Ex-post-facto approval for issue of fully convertible equity share warrants. The company is engaged in the business of Software Development.	0.2318
7	M/s SDG Software India Pvt Ltd	USA	Ex-post facto approval for the allotment of partly paid up shares which were later made fully paid up within two month. The company is engaged in the business of Software Development and Support Services.	3.00
8	M/s World Infotech Pvt. Ltd	USA	Ex-Post facto approval for issue of partly paid equity shares to non -resident investor to carry out the business of I.T. Enabled Services-Medical Transcription & Software Development.	0.08
9	M/s Taksheel Solution Ltd.	Mauritius	Ex post facto approval for transfer of shares by way of shares swap. The investee company is engaged in software development and consulting services	Nil
<b>Infrastructure &amp; Construction activities</b>				
1	M/s NJS Engineers India Pvt Ltd	Japan	Ex-post-facto approval for transfer of shares held by NRI on non-repatriation basis to a person resident outside India on a repatriation basis. The company is engaged in the business of Construction Development projects, including housing, commercial premises, resorts, educational institutions.	0.01
2	M/s Unicorn India Pvt. Ltd.	Netherlands	Ex-post facto approval for issue and allotment of partly paid up Rights Equity shares to carry out the business of technical and engineering consultants, advisors, planners, engineering for construction of roads, airports and bridges.	1.25
3	M/s Matrix Ventures Pvt. Ltd.	Australia	Induction of foreign equity to undertake activity of infrastructure provider category –I.	0.95
4	M/s Gremach Infrastructure Equipments & Projects Limited	Mauritius	Ex-post facto approval for issue of warrants. The company is engaged in the business of providing equipments on rental for infrastructure projects.	29.60
5	M/s VNR Infrastructure Ltd	Mauritius	Ex-post-facto approval for transfer of shares by way of share swap. The company is engaged in the business of infrastructure contracting activities.	Nil
6	M/s Lanco Group Ltd	Mauritius, UAE	Transfer of shares under the scheme of demerger. The company is engaged in the business of supplying products and material on turnkey basis and project management consultancy services with respect to various infrastructure projects. In addition, the Indian company has downstream investments in various companies engaged in infrastructure related sectors such as power generation, coal mining for captive consumption, etc.	Nil
7	M/s Copper Beech Infrastructure Pvt Ltd	Cyprus	Repatriation of FDI. The company is engaged in the business of educational infrastructure.	3.83
8	M/s Gayatri Projects Ltd.	FIIs and NRIs	To issue warrants to carry out the execution of major civil works concrete/ masonry dams, earth filling dams, national highways, bridges, canals, aqueducts, ports, etc.	10.00
9	M/s Oriental Tollways Pvt. Ltd.	Mauritius	Induction of foreign equity in an Investing company.	475.00
10	M/s Soma Tollways Private Limited	Mauritius	Induction of foreign investment in an investing company	500.00
11	M/s Tredegar Film Products India Pvt. Ltd.	USA	To allot equity shares in lieu of amount paid by the foreign parent company for purchase of plot prior to incorporation of the Indian WoS. The Indian company is engaged in the manufacturing of non-woven laminate films for packaging	Nil



12	M/s Brahma Center Development Private Limited	Mauritius	To issue equity shares against the initial bid amount paid to HSIIDC to carry out the business of Builders, developers & infrastructural contractors.	62.00
13	M/s Shiva Regency Pvt. Ltd	Mauritius, Jersey	Ex-post-facto approval for allotment of shares against the amount received and kept in Escrow account. The company is engaged in the business of Development and Management of Hotels.	3.75
14	M/s Matrix Sociis Holdings Limited	UAE	Induction of foreign equity in an investing company.	25.00
15	M/s Elpro International Ltd	Mauritius	Post facto approval for the issuance of shares against warrants. The company is engaged in the manufacture and production of surge arrestors and metal oxide varistors as well as in real estate services and development and making investments.	64.67
<b>Manufacturing</b>				
1	M/s Omega IceHill Pvt. Ltd.	Netherlands	To issue shares for consideration other than inward remittances.	3.76
2	M/s Perfiles Especiales Selak SL	Spain	To acquire equity share capital of the Indian company engaged in the business of manufacturing of various types of guide rails and related parts of escalators and elevators.	7.00
3	M/s Goshi India Auto Parts Pvt. Ltd.	Japan	To convert the Suppliers Credit (Machinery Loan) into equity shares to carry out the business of manufacturing and distribution of spare parts.	No Fresh Inflow
4	M/s Axiom Consulting Pvt. Ltd., Bangalore	USA	To issue and allot equity shares on non-cash consideration basis in the form of sweat equity shares. The company is engaged in the business of providing product design engineering services.	Nil
5	M/s Apeejay Surrendera Corporate Services Ltd	UK	Increase in foreign equity participation from existing 9.23 per cent to 31.57 per cent as a result of amalgamation in terms of the Scheme of Amalgamation approved by the Calcutta High Court. The company is engaged in the business of cultivation, manufacturing and trading in tea; and business and management consultancy activities.	Nil
6	M/s VTS TF Air Systems Pvt. Ltd	Italy	Ex-post facto approval for issue of partly paid up equity shares. The company is engaged in the business of manufacture of air conditioners, water chillers and so on	Nil
7	M/s Primacy Industries Ltd	UAE	To amend the clause 4 of the FC approval. The company is engaged in the business of manufacturer-cum-exporter of home fragrance products.	Nil
8	M/s Janoschka Holding GmbH	Germany	To set up a WOS to act as an investing company and to make downstream investments in companies engaged in production of pre-press services and supplementary and complimentary services.	0.16
9	M/s Amar Remedies Ltd	FII's	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
10	M/s Pipe Supports Group Limited	UK	Ex-post-facto approval to set up a WoS to carry out the business of design, manufacture and supply of pipe supporting equipment, fittings and materials for use in various industries.	0.01
11	M/s The Technology Venture Fund	Mauritius	Induction of foreign investment in the Fund engaged in the investment in equity and equity related unlisted seed stage companies.	1.38
12	M/s Dhunseri Investments Limited	Non-resident shareholders of the applicant	To issue and allot equity shares to the non-resident shareholders consequent upon demerger. The company is engaged in Manufacture of hollow glassware for the conveyance of packing of goods	715.00
13	M/s Mecords India	UAE	Ex-post-facto approval for issue of partly paid up equity shares. The company is engaged in manufacturing of Technical Textiles	17.36
14	M/s Satake India Engineering Pvt. Ltd	Japan	Issue of shares for consideration other than inward remittances.	Nil
15	M/s Om Pile Pvt. Ltd	USA	To issue equity shares in lieu of value of machinery imported. The company is engaged in the business of manufacture of	5.85

			textile goods.	
<b>Mines &amp; Steel</b>				
1	M/s Kirloskar Ferrous Industries Ltd.	FII's & NRIs	Ex post facto approval for issue of warrants to carry out the business of manufacturing of pig iron and castings.	0.32
2	M/s Stemcor Holdings Limited, UK	Cyprus	Acquisition of shares by way of share swap in mining sector.	No Fresh Inflow (Share Swap)
3	M/s Stewart and Lloyds of India Ltd	NRIs from various countries	To issue warrants to carry out the business of manufacturing of Fabricated Structural Products of Iron ore and Steel and Construction and maintenance of Power Plants.	0.37
4	M/s Thomas Lipinski, Mr. Enrico Borgwardt & Mr. Shekhar	Germany	To set up a LLP with foreign equity of 98 per cent to undertake the business of manufacturing of fabricated structural metal products.	0.98
<b>Miscellaneous</b>				
1	M/s Aavishkaar India Micro Venture Capital Fund	Singapore	Ex post facto approval for issue of partly paid up units to foreign investor. M/s Aavishkaar India Micro Venture Capital Fund is a trust established with the objective of creating entrepreneurial avenues in rural India by financing such units and will also provide management support and professional expertise.	4.28
2	M/s Pine Bridge Investments Japan Co. Ltd.	USA, Japan	Transfer of shares from Non-Resident (NR) to NR of an investing company.	Nil
3	M/s Hero Investments Private Limited, Punjab, H.P. & Chandigarh	Singapore	Induction of foreign equity in investing company.	4,500.00
4	M/s Ghir Investments (Mauritius) Ltd.	Mauritius	Induction of foreign equity in an Investing company.	530.00
5	M/s PCRD Services Pte Limited	Singapore	To increase the foreign equity percentage in an investing company.	4.05
6	M/s Triguna Hospitality Ventures (India) Pvt. Ltd.	Singapore	To amend the clause of the FC approval to include a new foreign collaborator in an investing company.	Nil
7	M/s Deccan Emerging Business Ventures Pvt. Ltd.	France	Ex-post facto approval has been sought for induction of foreign investment to act as investing company.	9.93
8	M/s Cox & Kings Limited	Qualified Institutional Buyers	To allot warrants together with secured redeemable non-convertible debentures ("NCDs") and/or equity shares and/or convertible securities other than warrants ("Convertibles"), through a Qualified Institution Placement (QIP) to the non-resident Qualified Institutional Buyers (QIBs) to carry out the business of Leisure travel services, corporate travel services, visa processing services and foreign exchange services.	750.00
9	M/s GGV Managerial Services Private Limited	USA	To issue shares against the amount received upon termination of the lease to carry out the business of development and implementation of managerial and technical support systems for processing, electronic filing, accounting processes, expense management, budgeting.	0.16
10	M/s Ghir Investments (Mauritius) Limited	Mauritius	Amendment in FC approval for increase in foreign equity percentage in an investing company.	Not specified
11	M/s Ashwell Holding Company Private Limited	Netherlands	Induction of foreign equity to carry out the business of investing company.	852.60
12	BNP Paribas S.A. Paris	France	To set up a WoS to act as an investing company.	225.00
13	M/s Status infin (India) Pvt. Ltd	Mauritius	Induction of foreign equity in an investing company providing finances to companies engaged in power, infrastructure and emerging sectors in India.	45.00
14	M/s Dieffenbacher India Pvt. Ltd	Germany	Ex-post-facto approval for capitalization of the pre-incorporation and preliminary expenses to carry out the business of Marketing and sales support services.	0.17

15	M/s Energy Grid Automation Transformers and Switchgears India Ltd	Netherlands, France	The company has not commenced business at the time of transfer of equity shares to NR and it also does not have any downstream investment. The company will act as an investing company.	2,000
16	M/s Grid Equipment Ltd	Netherlands, France	The company has not commenced business at the time of transfer of equity shares to NR and it also does not have any downstream investment. The company will act as an investing company.	4,500
17	M/s Ventureast Life Fund III LLC	Mauritius	Induction of foreign equity in a trust.	950
18	M/s i3E Trust	UK	Induction of foreign investment in the Trust.	12
19	M/s Sterlite Grid Ltd	Mauritius	Post facto approval to act as an investing company.	1150
20	M/s Jalgaon Investments Pvt. Ltd	Mauritius	Ex-post-facto approval to act as an investing company.	135.55
21	M/s Reckitt Benckiser Plc.,	Singapore	To set up a WOS as investing company to make downstream investment.	3,300.00
22	M/s DMV-Fonterra Excipients B.V., M/s DMV-Fonterra Excipients (SEA) Pte Ltd	Netherlands, Singapore	Induction of foreign investment of up to 100 per cent in the capital of a newly incorporated LLP engaged in the business of manufacturing and sale of pharmaceutical excipients.	39.36
23	M/s Oxygen Bio Research Pvt Ltd	Mauritius, UK	Ex-post-facto approval for transfer of non-repatriable shares held by the NRIs to a foreign company. The company is engaged in medical research and specializing in drug discovery to find cures in various ailments such as cancer, heart diseases, etc.	Nil
24	M/s Selan Exploration Technology Ltd.	Mauritius	Ex-post-facto approval for issue of warrant to carry out the business of onshore oil and gas production.	1.82
25	M/s Southern CNG Automobiles India Pvt. Ltd	Bangladesh	Induction of foreign equity by a company from Bangladesh.	4.59
26	M/s Amrit Jal Ventures Private Limited	Singapore	Transfer of shares by way of swapping equity shares in lieu of acquisition of existing investments of foreign collaborator held in the three SPVs. The company is engaged in (i) generation of electric energy	No Fresh Inflow
27	M/s Kyuden International Corporation	Japan	To set up a JV company to act as an investing company to make downstream investment in the business of developing and establishing renewable power projects.	1.63
28	M/s ACB (India) Limited	Mauritius	Ex-post-facto approval for issue of warrants. The company is engaged in the business of coal washing and electricity generation.	120.16
29	M/s Hinduja Energy (India) Limited	Mauritius	Induction of foreign equity into an Indian company which does not have any operations and also does not have any downstream investments.	400.00
30	M/s PTC India Financial Services Ltd	Singapore	Transfer of shares by way of shareswap to carry out the business of Power Generation.	No Fresh Inflow
31	M/s Gita Power & Infrastructure Pvt. Ltd	UK	To issue shares under the Scheme of amalgamation as per High Court Order. The company is engaged in the business of development and operation of power stations.	No fresh inflow
<b>Security Agencies</b>				
1	M/s Singpai Pte Ltd	Singapore	Induction of foreign equity into an Indian company to carry out the business of manned guarding investigations, electronic security systems and cash management services.	65
2	M/s Checkmate Services Pvt Ltd	Mauritius	Induction of foreign equity in a company engaged in private security services.	66

Shipping				
1	M/s Oasis Shipping Pvt. Ltd.	UAE	Ex-post-facto approval for conversion of operating company into operating cum investing company.	Nil
2	M/s Anuradha Holding Pvt. Ltd	Isle of Man	Transfer of shares by way of shareswap to carry out the business of project development, consultancy and management activities.	No Fresh Inflow
Single Brand Retailing				
1	M/s Tod's Hong Kong Ltd.	Hong Kong	Approval for change of Indian partner in JV to carry out the retail product such as leather items, shoes, men and women accessories under single brand name.	9.82
2	M/s Salvatore Ferragamo Italia SPA	Netherlands	Change of name of the foreign collaborator due to internal restructuring of the group and subsequent merger. The company is engaged in the business of single brand retailing.	Nil
3	M/s Delsey India Pvt. Ltd	France	Induction of foreign investment to engage in the business of single brand retailing.	0.0051
Telecommunications				
1	M/s Tikona Digital Networks Pvt. Ltd.	Mauritius	To purchase and acquire the entire shareholding of an Investee Company against the payment of consideration on deferred basis. The investee company is engaged in Engaged in the business of developing, establishing and operating infrastructure as a category A Internet Service Provider.	No fresh inflow
2	M/s Centre for Consultancy and Research Pvt. Ltd.	USA	To undertake additional activity relating to market research and induction of additional foreign equity. The proposal attracts Para 4.2.2.2 of Circular 2 of 2010 of the Consolidated FDI Policy.	0.50
3	M/s Sistema Shyam Teleservices Ltd.	Russia	To amend the FC approval on account of additional activities proposed.	Nil
4	M/s People Infocom Pvt. Ltd.	UK	To issue shares by way of share swap.	Nil
5	M/s Netmagic Solutions Pvt. Ltd.	Mauritius	To increase foreign equity from 49 per cent to 74 per cent to carry out the business of ISP with gateways.	70.00
6	M/s Augere Wireless Broadband India Pvt. Ltd.	Mauritius	To increase foreign equity from 49 per cent to 74 per cent to carry out the business of Broadband wireless services, internet services and other telecommunication related services.	54.00
7	M/s Mango Holding Limited	Bangladesh	To subscribe to equity shares of an Indian company engaged in the business of manufacturing and Supply of Wireless Equipment by a company from Bangladesh.	3.34
8	Mr. M. Rezaul Hassan and Ms. Monnujan Nargis	Bangladesh	Ex post facto approval to set up a WOS to undertake the business of Software development Services by citizens of Bangladesh.	0.01
9	M/s B4U Television Network (India) Pvt. Ltd	Mauritius	Induction of foreign equity by an erstwhile OCB to carry out the business of up-linking a non-news and current affairs TV channel.	36.00
10	M/s Alan Dick & Company (India) Pvt. Ltd	UK	To amend the clause 2 of the FC approval and to add the IP-I activities like establish and maintain the assets such as Dark Fibres, Right of way, Duct space and Tower.	Nil
11	M/s Vodafone Essar Limited	Mauritius	Transfer of shares from Resident to NR to carry out the activities relating to Telecommunication.	Nil
12	M/s Augere Wireless Broadband India Pvt. Ltd	Mauritius	Capitalization of pre-incorporation expenses.	54
13	M/s Sprint International Holding Inc	USA	Induction of foreign equity into an Indian company to provide wireline-based national long distance, international long distance and Internet services as well as advanced managed network services to companies operating in India.	6.25
14	M/s Unitech Wireless (TN) Pvt. Ltd.	Singapore	Induction of foreign equity to carry out the business of providing unified access services.	8,250
15	M/s Shyam Internet Services Ltd	Russia	Amendment of clause 2 & 3 of the FC approval dated 08.10.2009 to allow the company to engage in the business of providing Internet Services on all India basis instead of providing the same service within the State of Rajasthan.	Nil
16	M/s Verizon Communications India	UK	Transfer of equity shares from non-resident shareholder to non-resident group company in Telecom Sector.	Nil

	Pvt. Ltd			
17	M/s SDP Telecom (India) Pvt. Ltd	Canada	Ex post facto approval for issue of equity shares for consideration other than inward remittances.	1.32
<b>Tourism</b>				
1	M/s Oryx Aviation (India) Pvt. Ltd.	Bangladesh	Induction of foreign equity by a company from Bangladesh to carry out the business of General Services Agent.	0.99
2	M/s Middle East Hotel Company Pvt. Ltd	Mauritius	Ex-post-facto approval from for (i) transfer of shares from NRIs (acquired from their Rupee resources as Residents) to NR Company, (ii) conversion of non-repatriable equity into repatriable equity which was from their rupee resources and (iii) payment of sale consideration by NR in INR. The company is engaged in the business of hotels & restaurants.	79.86
3	M/s Harsh Intertrade Private Limited	Mauritius, Jersey	Ex-post-facto approval for allotment of shares against the amount received and kept in Escrow account. The company is engaged in the business of Development and Management of Hotels.	3.75
<b>Trading</b>				
1	M/s Interglobe Enterprises Limited	Switzerland	To set up separate joint venture companies to run duty free shops at specified International Airports.	Nil
2	Mr. Ankit N Patel	USA	Induction of foreign investment in the proposed LLP for undertaking the activity of wholesale trading and distribution of baby care products in India including B2B e-commerce trade.	4.59
3	M/s DFASS TRG LLC	USA	Induction of foreign equity in an Indian company to carry out the business of setting up, running and maintenance of duty free shops & outlets at airport and other places outside the customs territory of India or any other place in India as may be permitted.	12.5
4	M/s In Flight Services Worldwide LLC	USA	Induction of foreign equity in an Indian company to carry out the business of retail sale of duty free goods on international flights.	0.5
5	M/s Christian Louboutin S.	France	To set up a JV to set up retail stores, outlets, show rooms and other formats across India for carrying on retail trading.	2.55
6	M/s Rahimafrooz Batteries Ltd	Bangladesh	To set up a WOS to undertake import and wholesale distribution of batteries and providing after sales services in India by a company from Bangladesh.	0.1

**ii) List of proposals approved in 2012**

	Name of the Applicant	Country of FDI Inflow	Proposal	FDI in Rs Cr
<b>Agriculture &amp; Allied Activities</b>				
1	M/s Everton Tea India Private Limited, Bangalore	Italy	Ex Post-facto approval for transfer of equity shares to foreign collaborator to carry out the business of manufacturing black and green tea bags, herb tea bags and instant tea bags.	0.98 (already brought)
2	M/s Alburaq Trading LLP, Maharashtra	Kuwait	Induction of foreign equity into an LLP which deals in rice, black pepper, coffee, milk etc. and other ancillary business.	0.40
3	M/s Arani Agro Oil Industries Limited	Malaysia	Ex post facto approval for issue of shares for other than inward remittances to carry out the business of manufacture of Hydrogenated Oils and Vegetables & Vanaspati, Vegetables Oils & Fats and hydrogenated oils, mono carboxylic fatty acids, acids oils from refinery & industrial alcohols & manufacturing of glycerin and other non-compliance with the conditions of original FC approval.	Not applicable

4	M/s Pran Beverages (India) Pvt. Ltd., Kolkata	Bangladesh	Change in foreign collaborator and increase in foreign equity participation to carry out the business of manufacture of fruits/vegetables juices and their concentrates, squashes and powders, and manufacture of Beverages n.e.c.	30.25
5	M/s JT International (India) Pvt. Limited	Mauritius	Post facto approval for increase in the foreign equity and either repatriation of amount received from NR investor in anticipation of raising their equity stake with FIPB approval which did not materialize. The investee company is engaged in processing/blending of Tobacco and manufacture of cigarettes both for domestic and for export sales.	Nil
6	M/s Anamika Tea Holding Limited, Mauritius.	Mauritius	Acquisition of equity shares of the company engaged in the business of plantation/ cultivation and manufacturing and selling of tea.	1.85
<b>Civil Aviation</b>				
1	M/s Rossell Aviation Private Limited	Canada	Induction of foreign equity to undertake the business in civil & defence aviation field with focus on product support services, repair and maintenance facility, providing training solutions in project primarily relating to the offset obligation in India to aviation industry.	1.36
2	M/s Menzies Bobba Ground Handling Services Private Limited, Hyderabad.	Mauritius	Increase in foreign equity participation to carry out the business of Ground handling services.	2.58
3	M/s Tara Aerospace Systems Limited, Mumbai	Singapore	To undertake additional activities of inter-alia design, development, engineering, manufacturing, integration, assembly, testing and inspection of military aircrafts (rotor-crafts and fixed-wing aircrafts), including products such as aerospace and aero structures components, kits and accessories in the defence sector.	7.60
<b>Courier &amp; Logistic Services</b>				
1	M/s Amazon Asia Pacific Resources Private Limited	Singapore	To set up a WoS to undertake the business of courier services and related logistics/transportation services.	15.00
2	M/s Royale Asia Couriers Pvt. Ltd., Chennai	Hong Kong	Induction of foreign equity to carry out the business of international courier operations.	0.24
3	M/s VRL Logistics Ltd	Mauritius	Induction of foreign equity to carry out the business of transportation of goods and passengers Courier services other than postal services, aircraft charter services, and wind power generation, involving the installation and sale of electricity produced by wind power generators.	175.00
4	M/s Kintetsu World Express (India) Pvt. Ltd., Karnataka	Japan	Induction of foreign equity to carry out the business of express distribution, supply chain and third party logistics services.	267.69
5	M/s Red Express Transport Services Limited, New Delhi	Singapore	Induction of foreign equity to engage in the business activities of door to door transportation of goods, articles and things except documents.	2.45 (already brought)
6	M/s Arshiya International Ltd., Mumbai	Singapore	Ex-post-facto approval for issue of warrants to carry out the business of providing logistics solutions, integrated supply chain and logistics infrastructure services.	2.00
7	M/s DPD Continental Pvt Ltd	France	Deletion of the condition relating to weight restriction.	Nil
<b>Defence Production</b>				
1	M/s Ashok Leyland Defence Systems Limited, Chennai.	UK	To undertake defence related activities.	10.00
2	M/s Mahindra and Mahindra Limited, Mumbai	USA	To set up a JV company to develop, manufacture and provide service support for radar systems and various kinds of defence electronic systems and various kinds of defence electronic systems.	26.00
3	M/s Track Systems India	Germany	Induction of foreign equity to carry out the	25.00



	Private Limited, Chennai		manufacturing, assembling, marketing, trading in defence sector	
4	M/s NCBG Holdings Inc	Cayman Islands	To undertake the additional activities in the defence sector.	Nil
5	Pipavav Defence and Offshore Engineering Company Ltd	FII's, FVCIs/NRIs etc	Increase in foreign equity by way of issuance of FCCBs to carry out the business of shipbuilding, ship repairs, offshore assets production etc and production of ships/vessels including for defence sector.	Not indicated
6	M/s Larsen & Toubro Limited, Mumbai	NRI's & FIIs	Ex post facto approval for foreign equity in the company engaged in the defence sector.	Nil
<b>Education</b>				
1	M/s Mathletics Private Limited	Australia	Conversion of a Private Limited company in to a Limited Liability Partnership having foreign investment.	No Fresh Inflow
2	M/s Bloomsbury India UK Limited, UK	UK	Induction of foreign equity to carry out the business of publishing/printing of books on fiction and nonfiction, electronic publishing, wholesale & retail trading, periodicals books, academic, research and other journals and directories, etc.	9.38
3	M/s Hughes Communications India Ltd.	USA	To make downstream investment to carry out the activity of rendering online and interactive skill development, vocational programmes and other training programmes.	No inflow
<b>Financial Services</b>				
1	M/s Gajraj Commercial Private Limited, West Bengal	Mauritius	Request for deletion of compounding condition as the company had ceased to act as NBFC before the expiry of the prescribed capitalization period.	Nil
2	M/s Abhijeet Power Limited, Nagpur	FIIs, FVCIs registered with SEBI	Induction of foreign equity in an investing company to make downstream investment.	674.00
3	M/s Bajaj Finserv Ltd., Pune	NRIs, FIIs, & holders of GDRs	To issue and allot equity shares to carry out the business relating to NBFC activities directly and through subsidiaries under Rights Issue.	100.00
4	M/s MF Global Sify Securities India Private Limited	UK	Increase in foreign equity participation to carry out the business of commodity broking and Stock broking.	81.00
5	M/s Interactive Brokers (India) Pvt. Ltd	USA	To set up a WoS in India to carry out the business of commodity broking business.	No fresh inflow
6	M/s Zipcash Card Services Pvt. Ltd	USA	Ex-post facto approval for issuance of convertible preference shares for issuance and operations of 'pre-paid payment instrument' in India.	Nil
7	M/s Oxygen Services (India) Pvt. Ltd	South Africa, Mauritius	Ex-post-facto for induction of foreign investment to carry out the business of providing B2B Services like mobile, DTH & Broadband Recharges, Bill payments, Travel and Ticketing, both by rail and air.	1.06
8	M/s Gajraj Commercial Private Limited	Mauritius	Approval for not complying with the NBFC capitalization within the stipulated 24 months and carrying on business only for recovery of loans and closing NBFC business.	No Fresh Inflow
9	M/s HSBC Insurance Services Holdings Limited, UK, London	UK	Infusion of foreign investment into an Indian company which does not have any operations and also does not have any downstream investments.	1.85
10	M/s AIF III Sub Pvt. Ltd., Mauritius	Mauritius	Induction of foreign investment in the unit of a Fund constituted as a Trust.	1,000.00
11	M/s SNC-Lavalin Mauritius Ltd., Mauritius	Mauritius	Induction of foreign equity in an investing company.	51.02
12	M/s Genworth Financial Mortgage Guaranty India Private Limited	USA	Induction of additional foreign equity in company engaged in the business to offer mortgage guaranty products that provide residential mortgage credit default protection in the Indian market to residential mortgage lenders (primarily banks financial institutions).	124.00
13	M/s Euronet Services India Pvt. Ltd.	USA	Ex-post facto approval for the foreign investment made till date in the company and to cover the activity of 'cashnet', a shared ATM network.	Nil



14	M/s Zooropa Foods Private Limited, Haryana	Mauritius	Induction of foreign equity to carry out the business of investing company.	100.00
15	M/s EHL Eastern Holdings Ltd, Mauritius	Mauritius	Transfer of shares from NR to NR. The Indian company is engaged in Stock Exchange Business.	No inflow
16	M/s Equitas Holdings Private Limited	USA	To increase the foreign equity participation in an investing company.	140.00
17	M/s High Mark Credit Information Services Pvt. Ltd.	Mauritius	Induction of foreign equity to carry out the business of credit information company.	7.40
18	M/s Cloverdell Investments Ltd., Mauritius	Mauritius	Induction of foreign equity in an operating NBFC with downstream investments in companies engaged in/proposed to be engaged, inter alia, in the business of housing finance, stock broking (including derivatives and currency derivatives broking), depository participant service, commodity broking and investment advisory activities.	808.06
19	M/s City Union Bank Limited, Tamil Nadu	FIIs, NRIs and other foreign investors	To issue and allot partly-paid up shares, under rights issue to carry out the business of banking operations in private sector.	61.50
20	M/s Paragon Asset Reconstruction Pvt. Ltd., Mumbai	Hong Kong	Induction of foreign equity upto 19.99% in the company engaged in the business of Asset Reconstruction.	0.57
21	M/s High Mark Credit Information Services Pvt Ltd	Mauritius	Induction of foreign equity to carry out the business of credit information company.	7.40
22	M/s Prizm Payment Services Private Limited, Chennai	FIIs, FVCIs/NRIs etc	To undertake an additional activity of setting up, owning and operating White Label ATMs (WLAs) in India.	Nil
23	The Ratnakar Bank Limited, Mumbai	FII's and NRI's	To increase foreign equity from 43% to 55%.	300.00
<b>Information &amp; Broadcasting</b>				
1	M/s Alliance Data Pte. Ltd	Singapore	To undertake the additional business of publishing and printing an Indian edition of a foreign specialty magazine.	Nil
2	M/s Fine Publishing India Pvt Ltd, Delhi	Finland	Induction of foreign equity to carry out the business of publishing specialty/technical magazines covering the subject of wine and champagne.	0.05
3	M/s Jeevan Telecasting Corporation Ltd.	NRIs	Post-facto approval to ratify NRI investment.	Nil
4	M/s Bangla Entertainment Private Limited.	Singapore	To amend activities from "Bengali language television channel" to "non-news and current affairs television channels".	Nil
5	M/s Springer (India) Private Limited.	Singapore	To increase foreign equity upto 100% to carry out the business of publishing and re-printing of scientific, technical, medical and other no-fiction books in electronic and printed forms in any language.	4.24
6	M/s Springer Editorial Services Private Limited.	Mauritius	To increase foreign equity upto 100% to carry on the business of publishing services, content, development, content management, content outsourcing, providing a comprehensive service including data conversion, editorial services, pre-press, pre-media services, digital communication services, data based management, digitization services, data based engineering	12.87
7	M/s Domino Printing Sciences Plc, UK	UK	Conversion of a company with FDI, into an LLP. The company is engaged in the business of manufacturing Coding of marking, printing equipment.	No fresh inflow
8	M/s Network 18 Media & Investments Ltd	FII's and NRI's	To undertake the additional business of Publishing Business through court approval amalgamation.	Nil
9	M/s Reed Elsevier India Private Limited.	Netherlands	To undertake the additional activity relating to the business of publishing and co-publishing (in and outside India), including digital publishing, printing, reprinting, adaptation, article reprinting, repackaging, translation, distribution of scientific, technical, medical, specialty and	Nil

			research journals/magazines/periodicals in any media including print media	
10	M/s Catvision Limited	British Virgin Islands	To increase foreign equity participation to carry out the business of manufacture of CATV equipment, selling CATV equipment like Dish Antenna, other CATV equipment, cables, energy management equipment and repair of apparatus for television transmission, other business services.	0.98
11	M/s NGC Network (India) Pvt. Ltd., Haryana	Mauritius	To undertake the activity relating to uplink and downlink of television channels for non-news and current affairs through internal accruals.	Nil
12	M/s Indusind Media & Communication Ltd. (IMCL)	Mauritius	Conversion of 7-year Cumulative Non-Convertible Redeemable Preference shares into equity to carry out the business of Cable Network Distribution.	Nil
13	M/s Health Media Publishing Private Limited	UK	Induction of foreign equity to carry out the business of publishing magazines & periodical journals in the area of healthcare & overall wellness.	Nil
14	The Walt Disney Company (Southeast Asia) Pte. Ltd., Singapore	Singapore	Induction of foreign equity for inter alia expansion of the business and making downstream investment in other companies and subsidiaries of the company, including Broadcasting companies.	1,000.00
15	M/s Packt Publishing Private Limited, Mumbai	UK, Brimhingham	Induction of foreign equity to carry out the business of providing services relating to publication of books to M/s Packt Publishing Ltd., an UK based company.	0.07
16	M/s D B Corp Ltd.	Mauritius	To increase the foreign equity participation from 20 % to 20% to carry out the business of publication of newspapers including the business of developing, editing, publishing, printing, distributing and marketing newspapers and other publications and FM radio business.	Not quantified
17	M/s Wall Street Journal India Publishing Private Limited.	Mauritius	Change in the foreign collaborator by way of overseas merger within group companies. The company is engaged in the business of publishing of facsimile editions of newspapers in India.	Nil
18	M/s Harkness Screens India Private Limited, Bangalore	UK, Ireland	Conversion of a company into an LLP, which is engaged in the business of manufacturing, dealing in importing /exporting all types of films, cinema and projection screen surfaces, customs screens and allied products.	Nil
19	M/s Global Fairs & Media Private Limited	Germany	To undertake an additional activity of publishing specialty periodicals/magazine.	Nil
20	M/s Hay House Publishers (India) Pvt Ltd	USA, UK	Deletion of the condition relating to compounding. The company is engaged in printing of foreign books in India and distribution in India of foreign books, deck cards and audios, on various literary, social, health, agricultural, medical rural and all nonpolitical subjects	Nil
21	M/s Scribble Media & Entertainment Pvt. Ltd., Hyderabad	UAE	Induction of foreign equity to carry out the business of publication of evening news publication titled "Post Noon".	2.50
22	M/s PVR Leisure Limited, New Delhi	Mauritius	Induction of foreign equity in an investing company.	50.10
<b>Information Technology &amp; Electronics</b>				
1	M/s Outsourcepartners International Private Limited	USA	Ex-post facto approval for conversion of equity shares from non-repatriable to repatriable basis to carry out the business of IT and IT Enabled Services.	0.00
2	M/s Cigniti Technologies Limited	USA	Transfer of shares by way of share swap to carry out the business of IT Services, software development	Nil
3	M/s Reasoning Global eApplications Limited	Kenya	Ex-post facto approval for issue of partly paid shares. The company is engaged in the business of development of software, web-development and economic activities which provide online, interactive websites for the posting, promotion, search, sale and resale of items via global	Nil

			computer network (Internet).	
4	M/s Mirali E-Solutions LLP, Mumbai	Singapore	Induction of foreign equity in LLP to carry out the business of Software development & IT enabled Services.	0.01
5	1.M/s Ness Mauritius, Mauritius 2. M/s Ness Technologies (East) B.V Netherlands	Mauritius, Netherlands	To form an LLP with induction of foreign equity to undertake the business of software development & IT enabled Services.	0.01
6	M/s Rightster Ltd., London	UK, USA	To set up an LLP to undertake the business of providing software development services.	0.87
7	M/s Eurocopter India Pvt. Ltd., New Delhi	France	To undertake the additional activities relating to development of software and other allied IT enabled services such as engineering and designing in the defence sector.	No fresh inflow
8	M/s Egon Software Pvt. Ltd, Pune	Luxembourg	Ex post-facto approval for issue of partly paid up shares to carry out the business of IT & ITES enabled services.	2.23 (already brought)
9	M/s Wipro Limited, Bangalore	FII's and NRI's	Transfer of shares by way of swap consequent to a demerger of non-IT activities. The company is engaged primarily in IT sector and also in other diversified activities including defence.	Nil
10	M/s GPX India Private Limited, Mumbai	Mauritius, USA	To issue equity shares to the Foreign Collaborator against import of capital goods/equipment/machinery to carry out the business of setting up of domestic Other Service Provider (OS) (Data Centre) for providing various products and services to its clients/customers.	Nil
<b>Infrastructure &amp; Construction activities</b>				
1	M/s Takshila Tech Parks & Incubators (India) Private Limited, Hyderabad	Mauritius	Approval has been sought for not meeting the condition of minimum capitalization within six months from the commencement of business pursuant to re-classification of the activity of the company, from Industrial Development Park to Construction Development: Townships, Housing, Built-up infrastructure.	182.50
2	M/s Neo Capricorn Plaza Private Limited	Mauritius	Post-facto approval for issue of partly paid up shares to carry out the business of construction of five star hotels.	11.87 (already brought)
3	M/s Ramboll India Private Limited., Hyderabad	Singapore	Ex post facto approval for issuance of partly paid up shares to carry out the business of tower engineering and tower related services in the infrastructure segments for both telecom and power transmission and software development sales and services of tower design detailing.	1.85
4	M/s Green Destinations Holdings	Mauritius	To transfer equity shares before the expiry of lock in period.	Nil
5	M/s Capitaretail Jalandhar Mall (Mauritius) Ltd., Mauritius	Mauritius, Singapore	NR-NR transfer of shares of company is engaged in the business of construction and development of commercial malls in India on account of reorganization of the foreign investor group companies within three years lock in period.	117 (already brought)
6	M/s Nilayami Realtors Private Limited, Mumbai	Mauritius	Post-facto approval for issuance of partly paid up shares.	21.47 (already brought)
7	M/s Goyal & Co (Const) Pvt. Ltd.	USA	Post facto approval for issuance of partly paid up shares to carry out the business of construction and development of land and construction of various Residential and Commercial Schemes.	3.45 (already brought)
8	M/s CapitaRetail Mysore Mall (Mauritius) Limited, Mauritius	Mauritius, Singapore	The foreign company having invested in Construction & Development Sector has applied for approval to transfer shares within the group companies (NR to NR) prior to completion of lock-in-period for the sector.	Nil
9	M/s CapitaRetail Mangalore Mall (Mauritius) Limited, Mauritius	Mauritius, Singapore	The foreign company having invested in Construction & Development Sector has applied for approval to transfer shares within the group companies (NR to NR) prior to completion of lock-in-period for the sector.	Nil

10	M/s CapitaRetail Hyderabad Mall (Mauritius) Limited, Mauritius	Mauritius, Singapore	The foreign company having invested in Construction & Development Sector has applied for approval to transfer shares within the group companies (NR to NR) prior to completion of lock-in-period for the sector.	Nil
11	M/s Excedo Realty Fund-1 through its investment manager Athamus Venture Management Private Limited, Bangalore	NRIs from various countries	To accept contribution and investment from NRIs from various countries to carry out the business in development of Township, Housing, Built up infrastructure and Construction Development projects in compliance with FDI Policy.	210.00
<b>Manufacturing</b>				
1	M/s Deltronix India Limited	Malaysia	To allot equity shares in lieu of amount payable for plant and machinery to carry out the business of manufacture of transport equipment and parts.	9.00
2	M/s Chemtrols Samil (India) Private Limited	Korea	Ex-post-facto approval for issue of partly paid up shares to carry out the business of manufacturing of industrial valves, magnetic level gauges and process control equipment.	1.29
3	M/s Tata Autocomp Gy Batteries Limited	Japan	Ex-post-facto approval for issue of partly paid up shares to carry out the business of manufacturing, designing, developing and selling of starting lighting-ignition automotive lead acid storage batteries for cars and utility vehicles.	25.00
4	M/s Putzmeister Concrete Machines Pvt. Ltd.	Germany	Capitalisation of import payables to carry out the business of manufacturing, marketing and sale of Putzmeister range of concrete pumps, other related products and rendering related after-sales services	Nil
5	M/s Praxair India Pvt. Ltd.	Mauritius	To issue shares for consideration other than inward remittance.	No inflow
6	M/s Al Shukur Company for Engineering and Construction LLP (India), Vadodara.	Jordan	Induction of foreign direct investment into an LLP to carry out the business of engineering services and engineering products.	0.01
7	M/s Akon Electronics India Pvt. Ltd.	USA	Post facto approval to regularize the issue of equity shares to carry out the business of manufacture of components and sub-assemblies for communications system under 100% EOU scheme.	Nil
<b>Mines &amp; Steel</b>				
1	M/s Sesa Goa Limited, Goa	Mauritius, Cyprus	Transfer of shares by way of share swap to carry out the business of exploring, mining, winning, importing, and exporting of earth and ores of all types	Nil
2	M/s Leighton International Projects (India) Pvt. Ltd., Mumbai	Mauritius, Australia	Ex post facto approval for transfer of partly paid shares to non-resident entities, which have since been made fully paid up to carry out the business of development of infrastructure projects in India.	No fresh inflow
3	M/s Bhushan Steel Limited, New Delhi	NRIs, FIIs	To undertake a rights issue of equity shares to the existing equity shareholders of the company, including NRIs, on rights basis (Rights Issue) on a partly paid up basis. The company is engaged in the business of steel production under Automatic sector.	8.17
4	M/s W J Towell & Company LLC, Oman	Oman	To set up an LLP to carry out the business of design, fabrication, supply& installation of steel structures, welded beams, pressure vessels, tanks pressure piping, etc.	40.00
<b>Miscellaneous</b>				
1	M/s Kris Sumeru Investments Private Limited	Mauritius	Post facto approval for issuance and allotment of equity shares, as the company at present, is neither an operating nor an investing company.	4.46
2	M/s APF II India Investments Pvt Ltd	Mauritius	To invest in the units of a FUND.	300.00
3	CIIE Initiatives	UK	Increase in foreign investment percentage in the Trust.	40.00

4	M/s Sterlite Grid Limited (SGL).	Mauritius	To amend approval to clarify permissibility of downstream through internal accruals. The company is an investing company	Nil
5	M/s Samvardhana Motherson Finance Ltd.	Singapore, Japan	Increase in foreign equity in the investing company through Initial Public Offer (IPO).	Not yet furnished
6	M/s Trizetto India Private Limited	Cyprus	Conversion of a Private Limited company in to a Limited Liability Partnership having foreign investment.	No Fresh Inflow
7	M/s Sunraj Diamond Exports Limited, Mumbai	Hong Kong	Transfer of shares by way of share swap to carry out the business of cleaning, polishing and selling of Diamonds.	Nil
8	M/s APF II India Investments Private Limited, Mauritius	Mauritius	Clarificatory amendment in clause 4 of the FC approval to reflect the level Foreign equity participation.	Nil
9	M/s Shriram Financial Ventures (Chennai) Pvt. Ltd.	Mauritius	Induction of foreign equity in an investing company to make downstream investment.	2000.00
10	M/s CLSA Singapore Holdings Pte Ltd, Singapore M/s CLSA Limited, Hong Kong	Singapore, 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. Currently the Investor company is nonfunctional.	225.00
11	M/s Vinci Energies India Private Limited, Delhi	France	Induction of foreign equity into an investing cum operating company, whose operating activities have not commenced.	15.50
12	M/s DEG-Deutsche Investitions-und Entwicklungsgesellschaft mbH, Germany	Germany	Induction of foreign investment into the India Fund which will act as Investing Company to invest in equity, equity-linked and debt instruments of Indian companies engaged in infrastructure service, supply chains and logistics, healthcare services, entertainment and leisure goods and consumer packaged goods, which are permitted under extant FDI policy.	55.00
13	M/s Cardo India Private Limited, Mumbai	Netherlands	Infusion of foreign investment into the Indian company which does not have any operations and also does not have any downstream investments.	1.30
14	M/s Bhartiya Samruddhi Investments and Consulting Services Ltd., New Delhi	USA	Induction of foreign equity in the investing company.	27.72
15	M/s TAQA Jyoti Energy Ventures Pvt. Ltd	Mauritius	Infusion of foreign investment into the company which does not have any operations and also does not have any downstream investments.	252.00
16	M/s IvyCap Ventures Trust	NRIs from various countries	To allow NRI investment through normal banking channels in compliance with FEMA Regulations and extant FDI Policy.	200.00
17	Mr. Christoph Heinrich Sievers, Switzerland	Switzerland	Induction of foreign equity in an LLP to carry out the business of Consultancy services.	0.003
<b>Pharmaceuticals</b>				
1	M/s Becton Dickinson India Private Limited.	Mauritius	To amend the Clause 4 of the FC approval. The company is engaged in the manufacture of Hypodermic needles and syringes and other highly advanced diagnostic and medical equipment.	Nil
2	M/s Plethico Pharmaceuticals Limited, Mumbai.	Eligible Foreign Investors	Issue of foreign currency convertible bonds to carry out the business of drug discovery and development.	500.00
3	M/s Mozart Limited,	Mauritius	Induction of foreign investment in the existing company in the pharmaceuticals sector Brownfield investments).	300.00
4	M/s Uttam Super Brands LLP	UK	To set up an LLP with the induction of foreign equity participation to engage in making and selling of appliances such as breathing apparatuses/kits and fire extinguishing equipments and carbon fiber cylinders/or parts, consumables, components and accessories thereof such as valves, regulators, hoses, horns, trolley bags etc., related thereto.	0.05

5	M/s Shasun Pharmaceuticals Limited, Chennai	Mauritius	Ex post facto approval for induction of foreign equity to carry out the activities relating to Brownfield pharmaceuticals sector.	49.99
6	M/s Fresenius Kabi (Singapore) Pte. Ltd., Singapore	Singapore	To sell equity shares of the Indian company through Offer For Sale method (OFS) whereby the shares may be purchased by all eligible persons under the scheme including foreign investors. The Indian company is engaged in the business of pharmaceutical sector	no fresh inflow
7	M/s Ordain Health Care Global Private Limited, Chennai	Spain, Hungary	Induction of foreign investment in an existing company engaged in the business of manufacturing, research & development for technology advancement, and marketing of pharmaceutical finished dosage formulations.	58.85
8	M/s Sutures India Private Ltd, Bangalore	Mauritius	Induction of foreign investment in an existing company engaged in the business of manufacturing and export of sutures, surgical tapes, mesh bone wax, atraumatic needles, skin staplers and surgical gloves.	200.00
9	M/s Arch Pharmalabs Limited, Mumbai.	Japan	Induction of foreign investment in an existing company engaged in the business of manufacture and sale of Active pharmaceutical Ingredients and contract research and manufacturing services.	372.36
10	M/s B Braun Singapore Pte Ltd., Singapore	Singapore	Acquisition of shares of the company engaged in the business of life saving intravenous fluids and ophthalmic products.	248.40
11	M/s Stellence Pharmscience Pvt. Ltd., Bangalore.	Chile	Induction of foreign equity by way of transfer and issue of equity shares and compulsory convertible preference shares to carry out the business of manufacture and sale of Active Pharmaceutical Ingredients and advanced intermediates.	100.00
12	M/s Pfizer Limited, Mumbai	Netherlands	Induction of foreign equity in an operating cum investing company to carry out the business in pharmaceutical sector.	800.00
13	M/s Vyome Biosciences Private Limited, Delhi	Mauritius	Induction of foreign equity to carry out the activities relating to pharmaceuticals sector.	12.50
14	M/s Zim Laboratories Ltd., Nagpur	Mauritius, Algeria	Induction of foreign equity to carry out the activities relating to pharmaceuticals sector.	50.44
15	M/s TherDose Pharma Private Limited, Hyderabad	USA	Post facto approval for transfer of shares to carry out the business of manufacturing of pharmaceutical preparations.	No fresh inflow
16	M/s Prime Surgical Centers Pvt. Ltd, Pune	USA	To set up an LLP to carry out the business of establishing and managing short stay surgery centres in India with its flagship centre in Pune.	14.00
17	M/s Calyx Chemicals and Pharmaceuticals Limited, Mumbai	Singapore	Post facto approval for the preferential allotment of equity shares to carry out the business of manufacturing of active pharmaceuticals ingredients and intermediates in India and manufacture of macrolides, antituberculosis and anti-depressants and manufacturing services to transnational pharmaceutical companies.	3.07
18	M/s Advanced Enzyme Technologies Limited, Thane, Maharashtra	Mauritius	Preferential allotment of shares, to be subscribed by both Indian and foreign companies and the Indian holding is proposed to increase. The Indian company is engaged in the business of pharmaceuticals sector.	9.76
19	M/s Dashtag, UK	UK	Increase in foreign equity to carry out the business of pharmaceuticals specializing in dermatology, antihistamines, antibiotics and oncology products.	68.22
20	M/s Premier Medical Corporation Limited, Mumbai	USA	Ex post facto approval for issuance of shares in pharmaceuticals sector.	54.28
21	M/s Adcock Ingram Healthcare Private Limited, Bangalore	South Africa	Induction of foreign equity to carry out the business of maintaining transactional support offices with respect to the healthcare and proposed pharmaceutical' manufacture, marketing and distribution of healthcare and pharmaceutical products.	480.00
22	M/s Sai Life Sciences	Mauritius	Transfer of shares from NR to NR to carry out the	Nil



	Ltd., Hyderabad		business of integrated drug discovery and development services, know how, manufacturing process for chemicals, drugs and pharmaceuticals.	
23	M/s Invida India Private Limited, Ahmedabad	Singapore	Transfer of shares from NR to NR. The company is engaged in commercializing differentiated pharmaceutical products of superior quality.	Nil
24	M/s Mylan Laboratories Limited, Hyderabad	Mauritius	To acquire an existing pharmaceutical manufacturing facility ('Undertaking') from the internal accruals.	173.00
25	M/s Reckitt Benckiser (India) Limited, a nominee of the foreign collaborator.	Netherlands	To acquire 49 per cent as a nominee of the foreign investor as approved by the Supreme Court. The company is engaged in the business of manufacturing footwear products under the brand name "Scholls" and footwear products.	Nil
26	M/s Saurav Chemicals Limited, Punjab	Japan	An existing pharma sector company to issue fresh equity shares to a foreign company.	14.85
27	M/s Aanjaneya Lifecare Ltd, Mumbai	Eligible foreign investors	An existing pharma company to issue Foreign Currency Convertible Bonds to eligible foreign investors.	405.00
28	M/s Gavis Pharma LLC., USA	USA	To invest in an Indian company engaged in the business of development and manufacture of injectable products and Sterile Ophthalmic preparations for the Indian and other regulated markets.	73.75
29	M/s Syngene International Limited, Bangalore	Mauritius	Induction of foreign equity to carry out the business of contract research and development services to third parties engaged in the pharmaceutical, nutrition and material science industries under fee-for-service commercial arrangements.	125.00
30	M/s Ordain Health Care Global Private Limited, Chennai	Spain, Hungary	Acquisition of manufacturing facility of one of its own group pharma companies and to receive fresh FDI thereby increasing the foreign investment from 60% to 100%.	40.00
31	M/s Hospira Pte Limited, Singapore M/s Hospira, Inc., USA M/s Hospira Healthcare India Private Limited, Tamil Nadu	USA, Singapore	Induction of foreign equity into Indian company which will acquire manufacturing facilities in the pharmaceuticals sector.	1,194.75
32	M/s PerrigoApi India Private Limited	Israel	Induction of foreign equity to carry out the business of manufacture of pharmaceutical ingredients.	55.00
33	M/s Pharmaceutical Ingredients and Formulations India Private Limited	USA	Transfer of shares from NRI to NR in pharmaceuticals sector (Brownfield investment).	Nil
34	M/s Aptuit Laurus Private Limited	Singapore, Mauritius	Increase in foreign equity. The company is engaged in the pharmaceutical sector.	47.96
35	M/s Akorn Inc	USA	Acquisition of 100 percent equity shares of a company engaged in pharmaceuticals sector.	0.01
36	M/s Edict Pharmaceuticals Private Limited	USA	Transfer of 100 percent equity to foreign investor. The company is engaged in the pharmaceutical sector	171.53
37	M/s Sphaera Pharma Private Limited	Singapore	Induction of foreign direct investment to carry on the business of drug discovery and development.	0.02
38	M/s Softgel Healthcare Private Limited	Philippines	Ex-post-facto approval for allotment of shares in pharmaceuticals sector (Brownfield investment).	10.00
39	M/s Shantha Biotechnics Limited.	France	Increase in foreign equity in Brownfield pharmaceutical sector to carry out the activities of research, development, manufacturing and marketing of recombinant-DNA based bio-tech products and other bio-generics.	514.00
40	M/s Smithkline Beecham Port Louis Limited.	Singapore, UK	Transfer of shares from NR to NR in existing pharma company.	Nil
41	M/s Akorn Inc., the USA	USA	To amend the FC approval regarding indirect investment by the applicant in Brownfield pharma sector.	Nil
42	M/s Sun Pharma	NRI's & FIIs	Induction of foreign equity by way of issue of partly paid up	10.00



	Advanced Research Company Limited, Mumbai		shares to carry out the development of new proprietary drugs.	
43	M/s Ankur Drugs and Pharma Ltd., Mumbai	Qualified Institutional Buyers	To issue warrants to carry out the business of manufacturing of pharmaceutical formulations.	40.00
44	M/s Allergen Healthcare India Private Limited	USA	The Scheme of Amalgamation of company engaged in the pharmaceutical sector approved by the High Court of Karnataka.	Not applicable
<b>Power &amp; Energy</b>				
1	CIIE Initiatives	UK	To increase the foreign equity participation upto 50 per cent. The company proposed to support new innovations and enterprises in the sustainable energy sector	40.00
2	M/s Selan Exploration Technology Ltd.	USA	Ex-post facto approval for issue of convertible warrants to an NRI without prior approval of FIPB. The company is engaged in the business of onshore oil and gas production.	Nil
3	M/s Multiples Private Equity Fund I Limited, Mauritius.	Mauritius	Acquisition of the equity shares of the company engaged in the operation of India's first nationwide, automated and online power exchange and offers products that permit trading in electricity and renewable energy certificates.	50.95
4	M/s Bhilwara Energy Limited	Mauritius, USA	Induction of foreign equity in an investing company.	2.55
5	M/s Spanco Power Distribution Limited, Mumbai	Mauritius	Post facto approval to act as an investing company and make downstream investments in its WoS and other companies in the power distribution sector.	80.00
<b>Security Agencies</b>				
1	M/s OCS Group Singapore Pte Limited, Singapore	Singapore	Acquisition of equity shares of an India company from resident individual shareholders. The Indian company is engaged in the business of detective and protective services	36.80
<b>Shipping</b>				
1	M/s Boskalis International B.V Netherlands	Netherlands	To set up an LLP to undertake the activities of dredging and in maritime segment.	1.00
2	M/s Hindustan Ports Private Limited, Mumbai	Mauritius	To act as an investing company and receive foreign investment for making downstream investment in other Indian companies.	440.00
<b>Single-Brand Retailing</b>				
1	M/s Canali Holding SPA	Italy	To set up a JV company with 51% foreign equity participation for single-brand retailing.	7.65
2	M/s Timex Garments (Private) Limited	Sri Lanka	To set up a JV with 50% equity participation to set up single brand retail stores.	0.50
3	M/s Pavers England Ltd., Chennai	Mauritius	Induction of foreign equity to carry out the business of single brand retail trading.	98.26
4	M/s Brooks Brothers Group Inc., USA	USA	Induction of foreign equity to carry out the business of single brand retail trading.	6.22
5	M/s Damiani India Pvt. Ltd., New Delhi	Netherlands	Induction of foreign equity to carry out the business of single brand retail trading.	0.35
<b>Telecommunications</b>				
1	M/s Netmagic Solutions Pvt. Ltd.	Mauritius	Increase in foreign equity upto 74 percent and induction of a new foreign collaborator to undertake the business of Internet Service Provider with gateways.	182.80
2	M/s Silitech International (India) Pvt. Ltd., Chennai	Bermuda	Post facto approval for receiving the consideration after two years from the date of issue of shares. Company is engaged in the manufacture of keypads for use in cell phone handsets.	0.01 (already brought)
3	M/s Space Era Materials and Process Pvt. Ltd., Hyderabad	Latvia	Induction of foreign equity to carry out the business of design, development, manufacture, assembly, repair and overhaul of the equipment of	0.26

			telecommunication and avionics used in aircrafts, radars and other electrical and electronics defence components, aggregates and equipment in India.	
4	M/s CSR Technology (India) Pvt. Ltd., Delhi	NRIs	Ex-post facto approval for the initial capital investment made by two resident Indians on behalf of the foreign company to undertake design, development and testing services for GPS Chips Sets.	0.01
5	M/s Cellcast Interactive India Private Limited, Mumbai	Cayman Islands	To undertake the additional activities of setting up of three Non-news and current affairs Television channels in Hindi, Tamil and Telugu in India.	No fresh inflow
6	M/s Microqual Techno Ltd, Mumbai	Mauritius	Increase in foreign equity to carry out the business of wireless telecommunications.	522.90
7	M/s Asergis Telecom Services Private Limited.	UK	To undertake the additional activity of Infrastructure Provider-I Services (IP-I Services).	Nil
8	M/s Sterlite Networks Limited, Dadar and Nagar Haveli	Mauritius	To engage in additional activities of telecom sector	500.00
9	M/s InterCall Asia Pacific Holdings Private Limited, Singapore.	Singapore	To set up a WOS to undertake the business of providing audio, video and web conferencing services for business, commercial, banking and other establishments.	6.75
<b>Tourism</b>				
1	M/s Sukhmani International Private Limited	UK	Post-facto approval for allotment of shares to NRI investors towards pre-incorporation/preliminary expenses.	Nil
<b>Trading</b>				
1	M/s Fluke South East Asia Pte. Ltd.	Singapore	To incorporate an Investing Company to make downstream investments in other Indian companies engaged in the business of wholesale trading and related activities.	400.00
2	M/s Heinemann Asia Pacific Pte. Ltd	Singapore	To set up a WoS company for the purpose of undertaking the activities of setting up duty free shop at Chhatrapati Shivaji international airport, Mumbai.	5.00
3	M/s Advent Business Credit Development Company Pvt. Ltd., Pune	Germany	Post facto approval for (i) undertaking wholesale trading activity since during year 2000-01 to 2001-02; (ii) transfer of equity shares from two resident Indian to Uni-cash or their nominees; and (iii) to set up and operate an Industrial Park in terms of Press Note 2 of 2000.	9.00
4	Mr. Ranjith Shridhar Shetty, Karnataka	Australia	To form an LLP with induction of foreign equity to undertake the whole sale trading, export and import of various products. To form an LLP with induction of foreign equity to undertake the whole sale trading, export and import of various products.	0.02
5	Ms. Mamta Vijay, Delhi	Canada	To form an LLP with induction of foreign equity to undertake the wholesale trading in high technology testing equipment and high precision calibration standards.	0.50
6	M/s ISG OnBoard Enterprises US Ltd., New York.	USA	To set up a WoS company for undertaking the activities of (i) sale of duty free goods to passengers on international flights of India bases airlines; and (ii) sale of duty free goods to India based airlines for onward sale to passengers by such India based airlines on international flights and related activities.	5.00
7	M/s K-Tron Asia Pte Ltd., Singapore	Singapore	To set up an LLP to carry out the business of wholesale selling and marketing of process equipment products and parts.	0.01
8	M/s Techno Relief Overseas (India) Pvt. Ltd	Kenya	Ex-post-facto approval for NRI investment in the company engaged in the business of trading (export and domestic wholesale) in relief materials.	Nil
9	M/s Kemper System (India) Private Limited, Pune	Germany	Ex post facto approval for transfer of shares from resident to Non Resident in a company engaged in wholesale trading prior to issue of Press Note 4 of 2006 dated February 10, 2006.	0.10 (already brought)

10	M/s Rickshaw Delivery	USA	To enhance the NRI investment on non-repatriable basis to carry out the business of export trading through partnership firm.	1.25
11	M/s DFASS India Private Limited	USA	To set up, operate and maintain additional duty free shops	Nil
12	M/s Kama Schachter Jewellery Private Limited, Mumbai	Mauritius, Israel	Post facto approval at the instance of RBI for having made a downstream investment in Oct 2007 in the field of import & export of diamonds.	Nil
13	M/s Man Chung Lim Granites India Pvt. Ltd.	China	To issue equity shares against foreign remittance made as 'pre-operative expenses' for security deposit and import of machinery for raising, purchase and export of Granite stones under 100% EOU scheme.	Nil

### iii) List of proposals approved in 2013

	Name of the Applicant	Country	Proposal	FDI/Inflow (RS Cr)
<b>Agriculture and allied activities</b>				
1	M/s Darjeeling Organic Tea Estates Pvt Ltd	Netherlands	To increase foreign equity participation from 49% to 60.50% from existing and four new foreign investors to carry out the business of production, distribution and export of tea.	105
2	M/s SEAF International FDI	Mauritius	To make foreign investment over a period of time by subscribing to one or more classes of units of a Fund making investment in food & agriculture related sector.	22.38
3	M/s Globion India Private Limited	Germany	Approval sought for additional investment from the foreign collaborator into a Brownfield pharma company engaged in manufacture of poultry vaccines and post-facto approval for FDI received in September, 2012	1.17
4	Mr. Ramneek Singh	Dubai	To set up an LLP with 93.34% foreign equity to undertake agri-export business	154
5	M/s Camson Bio Technologies Ltd., Karnataka	Singapore	Issue of warrants to a foreign collaborator in the business of agricultural biotechnology.	32.18
6	M/s AirAsia Investment Ltd	Malaysia	To set up a JV company to undertake the business of operation of scheduled passenger airlines.	80.98
7	M/s Farnair Switzerland AG	Switzerland	To increase FDI in an Air Transport Business Company by purchase of shares from Indian shareholder.	1.35
8	M/s Air Works India (Engineering) Pvt. Ltd.	Mauritius	To make downstream investments by utilizing its internal accruals into a new company for providing Aircraft Management services and Air Charter services to its customers.	2.00
9	M/s Hussmann International Holdings	USA	Induction of foreign capital contribution in an LLP.	0.0004
10	M/s Indocon Agro and Allied Activities Private Limited, Mumbai	Switzerland	An Indian company engaged in the procurement of milk, proposes to make a preferential issue by way of partly paid shares to another Indian Company owned and controlled by a non-resident entity	Nil
11	M/s Sacmi Engineering India Private Limit	Italy	Issue of equity shares to the shareholders of its foreign parent company pursuant to a High Court approval of the Scheme of Demerger.	Nil
12	Mr. Jobair Hasan Chowdhury	Bangladesh	Two Bangladesh nationals propose to set up a bakery company	0.5

Civil Aviation				
1	M/s Jet Airways India Limited	UAE	foreign participation by way of preferential allotment and subsequent transfer	2,057.66
2	M/s Nexus flight	Saudi Arabia	Marginal increase in FDI through fresh issue of shares of an Indian company engaged in ground handling services in airports	0.01
3	M/s Singapore Airlines Ltd	Singapore	To set up a JV Company in the ratio of 49%: 51%, which will be engaged in domestic and international full service scheduled passenger airlines services in the civil aviation sector in India.	303.18
4	M/s Zap Piling India Pvt. Ltd., Chennai	Singapore	Post facto approval for issuance of shares on incorporation of the company, the consideration for which was received subsequently.	2.54
Infrastructure and Construction				
1	M/s M & C Rakindo Hospitality Private Limited	Mauritius	Ex-post-facto approval to issue and allot partly paid up shares to carry out the business of development construction ownership, management, sale and/ or lease of hotel projects in India	47.87
2	M/s ABG Container Handling Pvt. Ltd., Mumbai	France	Investing company proposes to receive foreign investment for making downstream investment.	48.64
3	M/s Sugam Vanijya Holdings Private Limited	Mauritius	NR to NR transfer of FCDs within group companies before the completion of the 3 year lock in period.	Nil
4	M/s DLF Limitless Developers Pvt. Ltd.	Mauritius	Exit of foreign investors and the repatriation of the capital as the construction sector project could not even acquire land.	Nil
5	M/s Green Destinations Holdings	singapore	NR to NR transfer of shares before the expiry of lock-in period.	Nil
6	M/s Dhanlaxmi Infrastructure	Cyprus	A NR company proposes to transfer its holding in an Indian Infrastructure company to its own group company before the completion of the 3 year lock-in-period	Nil
7	M/s Navayuga Road Projects Pvt. Ltd	Singapore	To act as an investing company and to make downstream investments in its Special Purpose Companies	357.6
8	M/s Bay Capital Investments Ltd	Mauritius	Acquisition of shares in a listed Indian Company which is the Core Investment Company of a leading infrastructure developing group of companies.	100
9	M/s Mantri Technology Constellations Pvt Ltd	USA	Relaxation in the lock in period is requested for NR to NR transfer among group companies of the FCDs in an Indian construction company	Nil
10	M/s Luxora Realtors Private Limited	Mauritius	Condonation of delay in bringing in the minimum capitalization amount of US \$ 5 million into the FDI compliant real estate project.	Nil
Courier and logistics				
1	M/s GeoPost S.A	France	Acquisition of shares of an Indian company engaged in the business of commercial express and parcel delivery business segment.	179.04
2	M/s DPD Continental Ltd.	France	Increase in foreign equity participation from 60% to 100% to carry out the business of Courier services other than post.	24.85
3	M/s Kintetsu World Express Inc, Japan	Japan	Transfer of shares of a Courier company from a resident to a NR logistics company	0.43
4	M/s Malca Amit Global Limited	Hongkong	Merger of two Indian companies in the logistics sector, as per the scheme of merger approved by the Hon'ble High Court.	Nil
Defence				
1	M/s Mahindra & Mahindra Limited	USA	To amend the para 1 and 4 of the FC approval.	Nil

2	M/s Bharat Electronics Limited	France	To set up a JV company to carry out the business of Design, Development, marketing, supply and support of civilian and select defence Radars for Indian and global markets.	2.5
3	M/s Amertec Systems Pvt. Ltd.	Israel	Induction of foreign equity to carry out the manufacturing of advanced electronic systems, test systems, simulators and electronic systems for military applications	0.05
4	Pipavav Defence and Offshore Engineering Company Ltd	Mauritius	A defence sector company, which has 26 percent foreign equity participation (provisional approval) including for issuance of FCCBs has sought amendment in FC approval and issuance of shares to an identified foreign investor.	Nil
5	M/s NSE Industries	France	Induction of foreign equity to undertake the business of manufacture and servicing of products having defence applications.	0.1
6	M/s Maini Precision Products Pvt. Ltd	Mauritius	Deletion of conditions requiring the prior approval of DGCA as well as compounding, from the approval.	Nil
7	M/s Indian Rotorcraft Limited,	Netherlands	Amendment in the approved activities of the previous FC approval to replace the helicopter model as AW 119Kx, the upgraded model, in place of AW 119Ke, the discontinued model.	Nil
8	M/s BF Elbit Advanced Systems Pvt. Ltd	NRIs FII	Induction of foreign equity in defence sector.	37.44
<b>Electronics and information technology</b>				
1	M/s Yalamanchili Software Export Limited	Singapore	Conversion of non-repatriable equity held by majority shareholder to repatriable equity and share swap of this holding to shares of a foreign company.	Nil
2	M/s AVEVA Solutions Limited	UK	To set up a LLP to provide software development and IT enabled services.	8.39
3	M/s Cigniti Technologies Limited,	USA	Transfer of shares by way of share swap in a software company.	Nil
4	M/s Casbaa Limited	Hongkong	To set up a LLP in India to be engaged in representing and promoting cable and satellite industry in India.	0.02
5	M/s Tikona Digital Networks Pvt. Ltd	Mauritius	To Increase foreign equity participation upto 72.58% by issuing compulsorily convertible debentures (CCDs) and equity shares to the existing non-resident investors on a rights basis.	248
<b>Financial services</b>				
1	M/s Mahindra Insurance Brokers Limited	Singapore	induction of foreign equity to carry out the business of insurance broking	80.41
2	M/s Aon Holdings B.V	Netherlands	Post facto approval for induction of foreign equity to carry out the business of Insurance broking, and risk advisory services.	0.65
3	M/s GAGIL FDI Limited	Cyprus	Transfer of shares of an Indian stock exchange from its present foreign holder, which is an FII, to another foreign company which is wholly owned subsidiary of the present foreign holder and which will be an FDI holding.	no fresh inflow
4	M/s SIDBI Social Venture Trust	UK	To allot Class A units of the Fund to bring foreign investment	285
5	M/s WCP Holdings III, Mauritius	Mauritius	Acquisition of shares of an Indian stock exchange (NSE) from an existing financial institution shareholder	88.87
6	YES Bank, Mumbai	FII	to increase foreign equity participation through QIP	2,650

7	M/s AGS Transact Technologies Limited	Mauritius	Company having FDI to set up White Label ATMs	Nil
89	M/s BTI Payments Private Limited	Australia	To set up White Label ATMs, as an additional activity, with additional FDI to be brought in from its parent company.	108.5
10	M/s Aavishkaar India Micro Venture Capital Fund	Netherlands	Transfer of units from NR to NR in a Domestic Venture Capital Fund	Nil
11	M/s Euronet Services India Pvt Ltd	USA	Company having FDI to set up White Label ATMs.	Nil
12	M/s Shaastra Securities Trading Private Limited	USA	To make downstream investment in the proposed Wholly Owned Subsidiary to undertake the activity of Commodity broking & trading in the commodity exchanges.	2.87
13	M/s SREI Infrastructure Finance Limited	NRIs FII	To undertake an additional activity of setting up White Label ATMs (WLAs) in India.	Nil
14	M/s Franklin Templeton Asset Management (India) Private Limited,	Mauritius	A WoS foreign owned Asset Management Company to act as an investment manager to various AIFs and to contribute the mandatory amounts specified under the SEBI (AIF) Regulations	Nil
15	M/s DiaVikas Capital Private Limited	australia	An Indian NBFC company, supporting Micro Finance Institutions to convert itself into a core investing company and to get additional FDI; and post facto approval for not meeting the minimum capitalization requirement for a brief period in the past.	93.06
16	M/s BNP Paribas India Holding Pvt. Ltd.,	France	A foreign owned NBFC has sought amendment of the previous FIPB condition of registration requirement as a Core Investment Company as it is not accessing public funds and also applied for a downstream investment.	Nil
17	M/s Gilbarco Veeder-Root India Pvt. Ltd	Mauritius	Group restructuring involving placing 2 Indian subsidiaries of the foreign parent company into a two-step structure by way of a swap of shares.	Nil
18	M/s Elpro International Limited, Mumbai	Mauritius	Deletion of a condition imposed by FIPB, which is not relevant to the post-facto proposal obtained earlier.	Nil
19	M/s Equitas Holdings Pvt. Ltd.	Mauritius	increase in FDI percentage in an investing company	36.09
20	M/s Vakrangee Softwares Limited	NRIs FII	The applicant company to set up White Label ATMs as an additional activity	Nil
21	M/s Microsec Financial Services Limited	Mauritius	An Indian NBFC company having NRI & FII investment to set up, own and operate white Label ATMs	Nil
22	M/s Muthoot Finance Limited	NRIs FII	An existing NBFC having FDI, to set up White Label ATMs	Nil
23	M/s Bibby Financial Services (India) Pvt. Ltd.	USA	An NBFC engaged in the Factoring business has sought FIPB approval for the period of about two years from March, 2010 – March, 2012 when it was not in compliance with the minimum capitalization norms	49.5
24	M/s Aurionpro Solutions Limited	USA	To acquire through its US subsidiary, the business assets of an overseas US company and also 100% ownership of a UK company through part cash and part swap of shares of the Indian company.	Nil
25	M/s IndiaQuotient Investment Trust	Mauritius	A Category 1 Alternative Investment Fund Trust under the SEBI (AIF) Regulation, 2012, proposes to accept investment from a foreign investor over a period of time by issuing one or more classes of units	8.14
26	M/s IDFC Trustee Company Ltd	Singapore	to set up a AIF category I for receiving foreign contributions	5,500

27	M/s Endeka Ceramics India Private Limited	Spain	proposes to issue Compulsory Convertible Preference Shares (CCPS) in lieu of its parent meeting the expenses of its offshore bank guarantees being invoked	Nil
28	M/s Empays Payment System India Pvt. Ltd., Mumbai	UK	To set-up a Multi- Bank Payment System using the Instant Mobile Transfer System (IMT)	27.5
29	M/s Styrolution ABS (India)Ltd.,	Singapore	NR to NR transfer of shares within a group company by way of a block deal on the special trading window of BSE Ltd. /NSE Limited.	Nil
30	M/s Equitas Holdings Pvt Ltd	Mauritius	A holding cum investment company in microfinance sector to increase FDI by issuance of shares	222.8
31	M/s Axis Bank Limited, Ahmedabad	UK	A private bank proposes to increase the foreign equity from the existing 49% to 62%.	6,265.76
32	ANZ capital Private Ltd	Australia	Post facto approval for exemption from minimum capitalization requirement for a fund based NBFC, in order to regularize all transactions before winding up and liquidating the NBFC.	Nil
33	M/s Berns Brett Ltd & Kaushik Das	UK	Company having foreign investment to carry out the business of insurance broking under the regulation of IRDA.	0.65
34	M/s JM Financial Limited	NRIs FII	An Indian Core Investment company to issue warrants.	22.19
35	M/s Aavishkaar India Micro Venture Capital Fund.	Singapore	Transfer of units from NR to NR in a Domestic Venture Capital Fund (DVCF).	Nil
36	M/s Religare Enterprises Ltd.	Singapore	To issue warrants to carry out the business of Investment Advisory Services and Financial Consultancy and to make holding investments in the NBFC Sector	179.43
37	The Federal Bank Ltd	FII	To increase the foreign equity to 74%; and post facto approval for exceeding the foreign equity cap of 49% by 7.16%	1,400
38	M/s Marketvistas Consumer Insights Pvt. Ltd., (Soniya Mahajani), Mumbai	England	Investee company engaged in market research has sought post-facto approval for issuance of partly paid up shares to foreign investor.	1.24
39	M/s GPX India Private Limited, Maharashtra	Mauritius	Guidance on compounding with regard to issue equity shares to the Foreign Collaborator against import of capital goods/ equipment/ machinery.	Nil
40	M/s Univan Ship Management Limited.	Switzerland	Issue of equity shares against transfer of immovable assets of the Indian Liaison Office in India.	Nil
<b>Hospitality</b>				
1	Ms. Sonia Sharma & Mr. Harish Kumar Sharma	NRIs FII	Induction of foreign capital contribution in the proposed LLP.	0.32
2	M/s Imperial Hospital & Research Center	USA	Post-facto approval for issuance of shares against value of import of second hand machinery.	1.26
<b>Information and Broadcasting</b>				
1	M/s Multi Screen Media Pvt. Ltd	Mauritius	Induction of foreign equity to carry out Broadcasting activities in India	545
2	M/s Wire and Wireless India Limited	Mauritius	To issue warrants to carry out the business of Cable network business	324
3	M/s Asianet Communications Limited	Mauritius	Transfer of shares from Resident to Non-resident to carry out the business of Broadcasting non-news and current affairs television channels.	0.02



4	M/s Augere Wireless Broadband India Pvt. Ltd	Mauritius	To capitalize the balance amount of the spectrum fee earlier paid to DoT	70.66
5	M/s Pilot Ventures Media Private Limited	USA	Induction of 100% foreign equity to carry out the business of publishing, marketing and distributing NME music Magazine and NME website in India.	0.01
6	M/s GETIT Infoservices Private Limited	Mauritius	To increase foreign equity percentage by way of acquisition/fresh issue of shares to carry out the business of specialty publishing.	216
7	M/s Hubert Burda Media India Pvt. Ltd	Germany	WoS of a foreign company to act as an operating cum investing company and to make downstream investment in an Indian company engaged in printing and publishing of specialty magazines.	7
8	M/s Multi Screen Media Pvt. Ltd	Mauritius	Deletion of compounding condition.	Nil
9	M/s Vijay Television Pvt. Ltd	Mauritius	The existing domestic shareholding in the non-news channel business is being acquired by the foreign promoters.	961.74
10	M/s Life Positive Private Limited	NRIs FII	A foreign NRI promoter of a magazine publishing company proposes to acquire shares from resident shareholders.	0.04
11	M/s Penguin Books India Private Limited	Singapore	An existing publishing Company to increase the FDI from 55% to 100% through resident to non-resident transfer of equity shares	54.64
12	M/s Emerald Group Publishing (India) Private Limited	UK	WOS of a foreign company to undertake the additional activities of Publishing of books and their supplements (text books, hand books, eBooks) in India for universities, educational institutions, research centres, other corporate etc.	12.37
13	M/s Da Vinci Media Gmbh	Germany	to set up a WOS in India to undertake downstream investment in the Broadcasting sector	5.0
14	Mr. Conrad Horler	Germany	A Foreign citizen (NR) proposes to set up a multimedia LLP.	0.045
15	M/s Viacom 18 Media Pvt. Ltd.	Singapore	Deletion of one the conditions in its FIPB approval given to M/s Viacom 18 is engaged in the activities of Broadcasting non-news and non-current affairs television channels.	Nil
16	M/s HBO India Pvt. Ltd., New Delhi	Singapore	Company having foreign investment proposes to engage in the activities of down-linking non-news and current affairs television channels.	Nil
17	M/s G+J International Magazines GmbH Pvt. Ltd.	Germany	To increase foreign equity participation in an Indian company engaged in publishing specialty and lifestyle magazines, from 78.75% to upto 100%.	12.3
<b>Manufacturing</b>				
1	M/s ToCheungLee Stationery Manufacturing Company Pvt. Ltd	USA	A foreign owned company engaging in manufacturing metal components for stationery item is collaborating with another company to set up an LLP to be engaged in the same business.	3.5
2	M/s Glynwed Pipe Systems India Private Limited	Belgium	Foreign Owned Indian company to receive foreign investment for making downstream investments.	800
3	M/s Motan Colortronic Plastic Machinery India Pvt. Ltd.	Germany	Post-facto approval for issue and allotment of shares issued towards pre-incorporation expenses to carry out the business of manufacture of Auxillary equipment used in Plastic/Polymers processing industry.	Nil
4	M/s Samvardhana Motherson International Limited	Japan	Conversion of equity shares on non-repatriable basis to repatriable basis held by the foreign investor, in an investing company.	Nil

5	M/s Mahle Holding India Private Limited	Germany	Investing company having 100% FDI proposes to bring in more investment.	280
6	M/s Migatronic India Private Limited	Denmark	Post-Facto approval for setting up a WoS foreign owned welding equipment company	2
7	M/s Equitas Holdings Private Limited	Mauritius	Post-Facto approval for setting up a WoS foreign owned welding equipment company.	Nil
8	M/s Stork Titanium Pvt. Ltd., New Delhi	Austria	Induction of foreign investment to carry out the business of manufacturing, trading and dealing in titanium products.	156
9	M/s Mahle Holding India Pvt. Ltd	Mauritius	Investing company to infuse more investment from its existing foreign investors.	500
<b>Miscellaneous</b>				
1	M/s McKinsey & Company Inc.	USA	To set up an LLP to be engaged in providing management consultancy services.	0.99
2	M/s AWS Truepower LLC	USA	Induction of foreign equity to carry out the business of consultancy services.	0.24
3	M/s PAMA Spa, Italy	Italy	a heavy engineering sector company, has sought post facto approval for issuance of partly paid up shares to its foreign parent, M/s PAMA Spa, Italy	0.77
4	M/s Axiom Consulting Private Limited	USA	issue of shares at a pre agreed price of an IT company to a director who is a foreign national	0.19
5	M/s Al-Shukur Company For Engineering & Construction LLP (India)	Jordan	Induction of further foreign capital contribution in an LLP engaged in engineering services..	0.9
6	M/s Michelin India Tamil Nadu Tyres Pvt. Ltd., Tamil Nadu	Switzerland	an LLP with 90% FDI proposes to set up in Research and Development and testing activities by a swiss company	0.049
7	M/s Universal Salvage Limited, England	England	proposes to set up an LLP with 99.999% FDI in its own business domain of provision of auctioneering services of total loss/ used/damaged vehicles	6.38
<b>Petrochemical Industry</b>				
1	M/s Cardolite Speciality Chemicals India Pvt Ltd	Bermuda	Conversion of a wholly foreign owned Indian Company into an LLP to be engaged in making industrial products using cashew nutshell liquid technology, followed by further infusion of capital.	31.92
2	M/s Hawco Petrofer LLP	Singapore	Induction of foreign equity in LLP engaged in the production of Speciality Chemical Products.	0.34
<b>Pharmaceutical</b>				
1	M/s Cordlife Sciences (India) Private Limited	Singapore	Post facto approval for NR to NR transfer of shares and issuance of fresh CCPS in the pharmaceutical sector	6.11
2	M/s Pfizer Ltd	Netherlands	Deletion of compounding clause.	Nil
3	M/s Claris Otsuka Limited	Japan	An existing Indian pharma company is hiving off its Infusions Business in to a new JV with FDI.	1,050
4	M/s Menarini Raunaq Pharma Limited.	Germany	Induction of foreign equity in an existing pharma sector company by its existing foreign promoter	2.00
5	M/s Sunij Pharma Pvt. Ltd., Ahmedabd	USA	Induction of additional foreign equity in a pharmaceutical company.	0.46
6	M/s AET Laboratories Private Limited, Medak Distt	Germany	Induction of additional foreign equity in a pharmaceutical company.	5.34
7	M/s Sidd Life Sciences Pvt. Ltd	Singapore	Post facto approval for issuance of shares prior to receipt of full inward remittance. Engaged in the business of manufacturing of medical/surgical equipment	0.61

			& orthopedic appliances etc.	
8	M/s Sanofi-Synthelabo (India) Limited	France	An existing pharma company to acquire another pharma company through internal accruals	180
9	M/s Oxford Laboratories Pvt. Ltd., Mumbai	Russia	Transfer of shares from Resident to NR in a Brownfield Indian pharmaceutical company.	0.18
10	M/s Oxford Laboratories Pvt. Ltd., Mumbai	Russia	Transfer of shares from Resident to NR in a Brownfield Indian pharmaceutical company.	0.52
11	M/s Mylan Laboratories Limited	Mauritius	An existing Indian pharma company with FDI to acquire formulation vials manufacturing facility from another existing Indian pharma company.	Nil
12	M/s Mylan Laboratories Limited	Mauritius	An existing listed Indian pharma company with FDI to acquire entire business of manufacturing from another existing Indian pharma company.	Nil
13	M/s Mylan Laboratories Limited	Mauritius	An existing listed Indian pharma company with FDI to acquire entire business of manufacturing from another existing Indian pharma company.	Nil
14	M/s Terumo Mauritius Holding Ltd	Mauritius	Existing pharmaceutical company to increase foreign equity participation from 74% to 100%	90
15	M/s Medreich Limited	Singapore	A foreign owned Indian Pharma Company to convert a 50% owned downstream pharma company into a WoS by means of internal accruals	Nil
16	M/s Total Prosthetics and Orthotics India Private Limited	USA	An Indian company to acquire a foreign company through issue of equity shares to the shareholders of the foreign company by way of swap of shares.	25.13
17	M/s Verdant Life Sciences Private Limited	USA	Post facto approval for foreign direct investment received from two NRIs in a pharma company.	3.16
18	M/s Curadev Pharma Private Limited	NRIs FII	An Indian pharma company to accept foreign investment from a Domestic Venture Capital Fund registered with SEBI.	25.00
19	M/s Invida India Private Limited.	Singapore	Infusion of foreign holding into its existing pharma WoS, for further downstream investment, in another pharma company.	35.74
20	M/s Sutures (I) Pvt. Ltd	Mauritius	A Brownfield pharma company having 35.28% foreign equity proposes to increase the same by another 26% by way of acquisition/fresh subscription	160
21	M/s Celon Laboratories Limited	Mauritius	A Brownfield pharma company to issue additional shares to a FVCI.	12.55
22	M/s Calyx Chemicals & Pharmaceuticals Ltd.	Singapore	An Indian pharma company has sought approval for fresh public issue of shares in which foreign investors/FIIs may participate.	200
23	M/s Smith & Nephew Pte Ltd., Singapore	Singapore	A foreign company to acquire 100% shares of an Indian pharma company engaged in the manufacture and sale of orthopaedic implants and other medical devices.	142.29
24	M/s Fresenius Kabi Oncology Limited	Singapore	A foreign company to acquire the shares of its subsidiary Indian company from residents as well as non-residents for delisting of the Indian company.	349.03
25	M/s Advanced Enzyme Technologies Ltd., Mumbai	Not known (IPO)	an existing Pharma Company, proposes to receive foreign investment pursuant to an IPO and an offer for sale	200
26	M/s Deep Care Health Private Limited	Japan	Fresh issue of 40% equity shares in an existing Pharma Company, M/s Deep Care Health Private Limited to a foreign investor, M/s Rohto Pharmaceutical Company Limited, Japan for product diversification.	15.33
27	M/s Jubilant Pharma Pte Ltd	Singapore	Approval for setting up a wholly owned subsidiary in India, which will engage in Brownfield pharma activities	1145.1
28	M/s Laurus Labs Private Limited,	Singapore	Acquire shares held by two non-resident entities in an existing pharma company, M/s Viziphar Biosciences Private Limited.	0.45

29	M/s Premier Medical Corporation Limited	USA	infusion of further capital from its existing foreign investor.	90
30	M/s Ferring Pharmaceuticals Pvt. Ltd	Netherlands	infuse additional capital into M/s Ferring Therapeutics Pvt. Ltd. through its 100 % subsidiary M/s Ferring Pharmaceuticals Pvt. Ltd	48.9
31	M/s Mylan Inc. USA	USA	to engage in manufacture of generic pharmaceutical products	5,168
32	M/s Fresenius Kabi India Private Limited	Germany	an existing pharma company proposes to issue equity shares to Fresenius Kabi AG, Germany, its parent company.	35
33	M/s Symbiotec Pharmed Limited, Madhya Pradesh	Mauritius	An existing pharma sector company proposes to transfer and issue equity shares upto a maximum of 70.86% to a foreign company.	306.19
34	M/s Lotus Surgical Specialities Private Limited, Mumbai	Mauritius	An investing company proposed to issue/transfer of shares to M/s Samara Capital Partners Fund II Limited (foreign investor) and make downstream investment in M/s Lotus Surgical Private Limited.	150
35	M/s Shantha Biotechnics Limited.	France	An existing foreign investor in a Brownfield pharma company to buy out the shares held by NRIs and Indian residents and to infuse fresh equity investment.	755
36	M/s SD Bio Standard Diagnostics Ltd	Korea	Infusion of additional FDI in an existing foreign owned pharma company.	27.5
37	M/s Acebright (India) Pharma Pvt. Ltd., Karnataka	British Virgin Islands	A foreign owned Indian pharma company to receive additional foreign investment by way of fresh issue and transfer. Post-facto approval is also sought for an earlier transfer.	95
38	M/s Castleton Investment Limited,	Mauritius	NR to NR transfer of shares between the foreign promoter group companies of an Indian pharma company – deletion of the standard conditions.	Nil
39	M/s Intas Pharmaceuticals Limited	Mauritius	To issue fresh equity shares to eligible non-resident investors in a book-building IPO and by an offer for sale by an existing foreign investor M/s Mozart Limited to carry out the business of pharmaceutical sector.	225.0
40	M/s Fenwal India Private Limited	USA	Transfer of shares from NR to NR as a part of global restructuring of the group companies. The investee company is engaged in the pharma sector.	Nil
41	M/s Menarini Raunag Pharma Limited	Germany	Conversion of ECB into equity shares in a pharma sector company	Nil
42	M/s Perrigo API India Private Limited	Netherlands	to increase the foreign equity participation and transfer shares from resident to non-resident	130.0
43	M/s Fresenius Kabi India Private Limited	Germany	An existing pharma company to issue shares to its parent company (Non Resident).	200
44	M/s Johnson & Johnson Ltd.	USA	Due to the Johnson & Johnson Group taking over the Synthes Group of companies in April 2011 overseas, the Indian subsidiaries of the two groups are being merged.	Nil
<b>Power and Energy</b>				
1	M/s ACME Solar Energy Pvt. Ltd	Germany	To make downstream investment in a company engaged in solar power business, considering it as investing company.	275
2	M/s Korea Western Power Co. Ltd	Korea	To invest in an Indian investing company.	270
3	Md. Rabiul Alam	Bangladesh	To set up a new company in India with 100 percent FDI to carry out the business of production of engineering products.	20.28

Private security service				
1	M/s Security and Intelligence Services (India) Limited	Mauritius	Induction of foreign equity to carry out the business of private security services.	82.9
2	M/s Jaguar-Max Security Solutions Private Limited	Israel	Induction of foreign investment to carry out the business of Private Security Services company.	0.11
Single brand retail trading				
1	M/s IngkaHoldingOverseas B.V	Netherlands	To set up a wholly owned subsidiary to undertake single brand retailing of IKEA products.	10,500
2	M/s Promod Asia Invest Pte. Ltd	Singapore	Induction of foreign equity in the equity share capital of an Indian JV company proposed	29.69
3	M/s Le Creuset India Trading Private Limited	France	WOS of a foreign company to undertake the business of single brand retail trading	No fresh inflow
4	M/s Fossil India Private Limited (FIPL)	Hongkong	WOS of a foreign company to undertake the business of single brand retail trading to undertake the business of single brand retail trading	22.53
5	M/s Decathlon S.A France.	France	Induction of foreign equity in the equity share capital of its WOS to undertake the business of single brand retail trading	700
6	M/s Celio International	belgium	To increase participation from 51% to 100% in an Indian company engaged in the business of single brand retail trading of products.	39.5
7	M/s Villeroy & Boch AG (V&B),	Germany	To invest 50% equity in a proposed JV company for to carry out the business of single brand retail trading of products.	1.12
8	M/s Grupo Massimo Dutti, S.A.	Spain	to form a JV in India to engage in retail trading of Massimo Dutti brand clothing, apparel, footwear, accessories, fragrances and cosmetic products.	2.13
9	M/s Nuance Group AG	Switzerland	To set up a duty free shop in Chatrapati Shivaji International Airport, Mumbai.	19.0
10	M/s H&M Hennes & Mauritz	USA	To set up a WOS in India to undertake single brand retailing.	720
11	M/s Tesco Overseas Investments Ltd	UK	To acquire (through purchase and subscription) 50% of the equity share capital of the Indian company to engage in the multi brand retail trading of products in India through a chain of stores.	682.43
Telecommunication				
1	M/s Telenor Mobile Communications AS	Singapore	To set up a JV company in telecom sector.	1,000
2	M/s Maharashtra Transmission Communication Infrastructure Limited, Mumbai	Mauritius	To issue FDI compliant instruments to an Indian company having foreign equity participation and other foreign investors to undertake the business of providing telecom services in the IP Category – I.	2.85
3	M/s Cable & Wireless Networks India Pvt. Ltd.	UK	Overseas group restructuring in telecom Sector Company without change in approved FDI/cap/investor	Nil
4	M/s Sterlite Network Limited	Mauritius	The company which is engaged as an Infrastructure Provider Category-I (IP-I), in telecom sector proposes to undertake additional activities and consequently proposes to reduce FDI from 100% to 74%.	Nil
5	M/s HCL Technologies Limited	NRIs FII	Induction of direct foreign investment in its own total paid-up equity share capital and consequent indirect foreign investment in its wholly owned subsidiary.	Nil
6	M/s CGP India Investments Ltd.	Mauritius	An indirect subsidiary of the Vodafone Group to increase foreign equity in M/s Vodafone India Limited from 64.38% to 100% in telecom sector.	10,141

7	M/s Sing Tel Global (India) Pvt Ltd.	Australia	To increase the foreign equity participation of the existing foreign investor from 74% to 100% in telecom sector company	2.98
<b>Trading</b>				
1	M/s Lagardere Services Singapore Pte. Ltd.,	Singapore	To set up an investing holding JV company.	53.87
2	M/s Delhi Duty Free Services Pvt. Ltd	Ireland	Post facto approval for transfer of shares from resident to Non-resident for setting up a JV company operating duty free shops.	Nil
3	Mrs. Jayalakshmi Jagannathan, Chennai	Singapore	To set up an LLP.	0.009
4	M/s Na Pali Europe SARL, France	France	Induction of foreign contribution in an Indian company to carry out the business of single brand retail trading.	7.65
5	M/s Flemingo Dutyfree Shop Private Limited	British Virgin Islands	To operate Electronic Duty Free Shop at International Arrival and Departure Terminal at Cochin International Airport and also a Duty Free Shop at APM terminal at Pipavav Port.	Nil
6	M/s Tourvest Holdings (Pty) Ltd., South Africa	South africa	Approval has been sought for running duty free shop at Mumbai airport and post facto approval for issue of equity shares against pre-incorporation expenses.	18
7	M/s Aerrianta International CPT, Ireland	Ireland	To set up a 50:50 JV company to engage in running duty free shops at Mumbai airport.	2.85
8	M/s Hardinge Machine Tools B.V	Netherlands	To set up a LLP to carry out the end-to-end business of workholding products and their after sales services.	21.99

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