2011-12. As per IIP, the industrial output registered a growth of 5.0 per cent in 2016-17 compared to a growth of 3.4 per cent in 2015-16.

(c) The Index of Eight Core Industries (ICI) registered a growth of 3.0 per cent and 4.8 per cent in the year 2015-16 and 2016-17 respectively.

FDI inflows

1138. SHRI AJAY SANCHETI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of flow of Foreign Direct Investment (FDI) during the last three years, country-wise;

(b) the details of deployment of this FDI, sector-wise;

(c) whether Government proposes to make amendments in the standard operating procedure for clearance of FDI proposals; and

(d) if so, the existing procedure and amendments proposed to be made with reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) Data on FDI is available only for equity inflow. The country-wise and sector-wise details of FDI equity inflow during the last 3 years are given in the Statement-I and II respectively (*See* below).

(c) and (d) The Foreign Investment Promotion Board (FIPB) which was earlier governing and processing FDI proposals requiring Government approval as per laid down FDI policy has been abolished. Government has now issued the Standard Operating Procedure (SOP) for clearance of FDI proposals post abolition of FIPB, the details of which are given in the Statement-III.

Statement-I

Details of financial year-wise FDI equity inflows from April, 2014 to March, 2017

(in US& million)

Sl. No.	Country	2014-15 (Apr.-Mar.)	2015-16 (Apr.-Mar.)	2016-17 (Apr.-Mar.)	Total
1	2	3	4	5	6
1.	Afghanistan	0.00	0.00	1.84	1.84
2.	Australia	57.96	163.25	49.47	270.68

1	2	3	4	5	6
3.	Austria	35.64	41.09	37.95	114.68
4.	Bahamas	4.84	0.66	0.24	5.74
5.	Baharain	16.98	15.34	80.27	112.59
6.	Argentina	0.00	0.00	0.02	0.02
7.	Belgium	42.03	91.53	180.53	314.08
8.	Belarus	0.01	0.89	0.00	0.91
9.	Brazil	0.63	1.43	0.22	2.28
10.	Bangladesh	0.00	0.02	0.00	0.02
11.	Bulgaria	0.99	0.05	0.25	1.29
12.	Canada	91.10	105.85	285.60	482.55
13.	Caymen Islands	72.16	443.54	71.03	586.73
14.	Channel Islands	11.31	2.70	6.96	20.97
15.	China	494.75	461.40	277.25	1,233.40
16.	Czech Republic	0.41	2.65	2.68	5.75
17.	Cyprus	597.97	508.37	604.00	1,710.35
18.	Denmark	29.25	18.07	21.30	68.62
19.	Estonia	0.18	0.30	0.00	0.48
20.	Finland	59.23	39.75	30.37	129.35
21.	Chile	6.26	0.001	0.30	6.57
22.	France	634.62	598.49	614.00	1,847.11
23.	Greece	2.47	0.13	0.00	2.60
24.	Germany	1,124.86	985.68	1,069.14	3,179.69
25.	Hong Kong	325.52	344.84	176.74	847.10
26.	Hungary	0.18	0.56	1.08	1.82
27.	Indonesia	11.53	1.66	1.94	15.14

1	2	3	4	5	6
28.	Ireland	12.77	15.49	12.75	41.01
29.	Isle of Man	0.02	0.00	0.49	0.51
30.	Israel	10.22	11.85	24.43	46.50
31.	Italy	219.92	334.69	367.70	922.31
32.	Liechtenstein	0.09	4.89	2.04	7.03
33.	Japan	2,084.23	2,613.68	4,709.46	9,407.38
34.	Kazakhstan	0.00	0.00	0.19	0.19
35.	Korea (North)	0.28	0.03	0.40	0.72
36.	Lebanon	1.20	0.38	0.07	1.65
37.	South Korea	146.54	245.84	465.54	857.92
38.	Kuwait	4.19	6.17	11.52	21.87
39.	Latvia	0.04	0.00	0.01	0.05
40.	Luxembourg	229.50	800.87	180.93	1,211.29
41.	Malaysia	96.57	73.30	46.15	216.02
42.	Mauritius	9,030.15	8,354.75	15,727.83	33,112.72
43.	Mexico	5.72	20.02	18.42	44.16
44.	Maldives	0.00	0.01	0.00	0.01
45.	NRI	0.00	0.00	0.00	0.00
46.	Nepal	0.02	0.31	0.11	0.44
47.	Netherlands	3,435.55	2,643.36	3,367.33	9,446.24
48.	New Zealand	5.38	10.42	3.83	19.63
49.	Nigeria	2.18	0.14	0.22	2.54
50.	Norway	26.35	6.44	24.82	57.61
51.	Oman	13.20	55.83	14.51	83.54
52.	Panama	2.54	1.29	0.36	4.19

1	2	3	4	5	6
53.	Philippines	90.17	7.48	94.97	192.63
54.	Poland	4.88	5.60	39.02	49.50
55.	Portugal	4.45	4.87	34.44	43.76
56.	Qatar	0.50	2.10	16.43	19.02
57.	Romania	0.75	0.55	0.07	1.36
58.	Russia	570.34	134.69	11.00	716.03
59.	Saudi Arabia	11.38	10.82	11.87	34.07
60.	Singapore	6,742.28	13,691.87	8,710.81	29,144.95
61.	Scotland	8.91	0.00	0.00	8.91
62.	South Africa	66.28	82.57	46.42	195.26
63.	Slovakia	0.14	5.45	0.10	5.69
64.	Spain	262.02	155.06	217.61	634.70
65.	Sri Lanka	4.55	5.69	6.01	16.25
66.	Sweden	64.30	143.11	34.84	242.26
67.	Slovenia	0.25	0.23	0.00	0.49
68.	Switzerland	336.78	240.04	514.30	1,091.12
69.	Taiwan	25.25	74.87	12.24	112.36
70.	Thailand	30.88	42.22	42.99	116.08
71.	Turkey	10.22	38.87	0.90	49.99
72.	UAE	367.32	985.14	674.70	2,027.16
73.	United Kingdom	1,446.62	898.05	1,482.77	3,827.44
74.	U.S.A	1,823.60	4,192.29	2,379.31	8,395.20
75.	Ukraine	2.51	1.19	0.62	4.32
76.	Venezuela	0.00	0.00	0.00	0.00
77.	Uruguay	0.86	0.44	0.40	1.70

1	2	3	4	5	6
78.	British Virginia	32.79	194.50	238.91	466.20
79.	West Indies	0.00	0.12	0.00	0.12
80.	Country Details Awaited	0.00	15.48	0.37	15.84
81.	Malta	0.60	0.00	0.06	0.66
82.	Iran	0.46	0.43	0.00	0.89
83.	Muscat	0.01	0.00	0.00	0.01
84.	Tanzania	0.03	1.82	0.00	1.85
85.	Georgia	0.00	0.09	0.00	0.09
86.	Gibraltar	0.06	0.12	0.00	0.17
87.	Jordan	0.32	0.68	0.55	1.55
88.	Vietnam	0.08	0.14	4.15	4.37
89.	Kenya	0.67	0.29	0.65	1.60
90.	Egypt	0.35	1.43	1.91	3.69
91.	Yemen	0.00	0.01	0.00	0.01
92.	Monaco	0.00	0.42	0.27	0.69
93.	Liberia	0.00	0.00	0.15	0.15
94.	Costa Rica	0.00	0.01	0.00	0.01
95.	St. Vincent	1.30	2.87	1.98	6.15
96.	Myanmar	0.00	0.00	0.00	0.00
97.	Guersney	0.09	2.98	0.04	3.11
98.	Zambia	0.03	0.01	0.00	0.03
99.	Morocco	0.62	0.39	0.00	1.01
100.	Colombia	1.00	1.25	1.70	3.94
101.	British Isles	0.19	0.06	0.19	0.44

1	2	3	4	5	6
102.	Virgin Islands (US)	4.76	0.00	54.06	58.82
103.	Peru	0.00	0.01	0.03	0.04
104.	Tunisia	0.00	0.00	0.00	0.00
105.	Uganda	0.00	2.77	3.21	5.98
106.	Seychelles	40.62	6.06	2.20	48.89
107.	Ghana	1.48	0.00	0.00	1.48
108.	Togolese Republic	0.23	0.09	0.00	0.32
109.	Iraq	0.03	0.00	0.00	0.03
110.	Belize	0.02	0.18	1.14	1.34
111.	Barbados	0.00	0.00	0.00	0.00
112.	Bermuda	14.13	3.45	333.31	350.90
113.	Botswana	0.00	2.27	0.00	2.27
114.	Anguilla	0.00	0.00	0.00	0.00
115.	St. Lucia	0.00	0.09	0.00	0.09
116.	Trinidad & Tobago	0.00	0.11	0.04	0.15
117.	Suriname	0.09	0.00	0.00	0.09
118.	Senegal	0.00	0.00	0.00	0.00
119.	Mozambique	0.00	0.00	0.01	0.01
120.	Samoa Islands	7.44	10.58	3.34	21.37
121.	Tajikistan	0.29	0.45	0.63	1.37
122.	Lithuania	0.00	0.33	0.00	0.34
123.	Ivory Coast	0.00	0.00	0.00	0.00
124.	Algeria	0.00	0.00	0.00	0.00
125.	Swaziland	0.00	0.00	0.00	0.00
126.	Brunei Darussalam	0.00	0.09	0.09	0.18

1	2	3	4	5	6
127.	Fiji Island	0.00	0.04	0.00	0.04
128.	Turkmenistan	0.00	0.00	0.00	0.00
129.	Marshall Islands	0.00	0.17	0.50	0.67
130.	Belorussia	0.00	0.00	4.42	4.42
131.	Cambodia	0.00	0.00	0.04	0.04
132.	Cape Verde	0.00	0.00	0.01	0.01
133.	Saint Lousia	0.00	0.00	0.15	0.15
	GRAND TOTAL	30,930.50	40,000.98	43,478.27	114,409.75

Statement-II

Details of financial year wise FDI equity inflows 7 from April 2014 to March 2017

Sl. No.	Sector	2014-15 Apr-Mar	2015-16 Apr-Mar	2016-17 Apr-Mar	Total
		FDI in US$ million	FDI in US$ million	FDI in US$ million	FDI in US$ million
1	2	3	4	5	6
1.	Metallurgical Industries	359.34	456.31	1,440.18	2,255.83
2.	Mining	684.39	520.67	55.75	1,260.81
3.	Power	707.04	868.80	1,112.98	2,688.82
4.	Non-Conventional Energy	615.95	776.51	783.57	2,176.03
5.	Petroleum & Natural Gas	1,079.02	103.02	180.40	1,362.45
6.	Boilers And Steam Generating Plants	1.33	77.91	53.91	133.15
7.	Prime Mover (Other Than Electrical Generators)	230.70	159.13	286.88	676.70
8.	Electrical Equipments	574.83	444.88	2,230.69	3,250.41

1	2	3	4	5	6
9.	Computer Software & Hardware	2,296.04	5,904.36	3,651.71	11,852.12
10.	Electronics	96.84	208.39	83.97	389.20
11.	Telecommunications	2,894.94	1,324.40	5,563.69	9,783.03
12.	Information & Broadcasting (Including Print Media)	254.96	1,009.34	1,516.68	2,780.98
13.	Automobile Industry	2,725.64	2,526.82	1,609.32	6,861.77
14.	Air Transport (Including Air Freight)	74.56	361.25	83.40	519.21
15.	Sea Transport	333.22	429.30	735.06	1,497.57
16.	Ports	1.90	0.00	0.00	1.90
17.	Railway Related Components	129.73	73.99	87.57	291.29
18.	Industrial Machinery	716.79	568.26	329.30	1,614.35
19.	Machine Tools	24.06	126.38	23.89	174.34
20.	Agricultural Machinery	72.35	16.44	15.19	103.98
21.	Earth-Moving Machinery	30.11	97.66	52.23	180.00
22.	Miscellaneous Mechanical & Engineering Industries	186.69	274.57	245.24	706.50
23.	Commercial, Office & Household Equipments	33.39	36.68	7.44	77.51
24.	Medical And Surgical Appliances	145.93	173.26	479.71	798.90
25.	Industrial Instruments	0.85	7.42	0.80	9.07
26.	Scientific Instruments	32.34	6.36	76.66	115.37
27.	Fertilizers	225.32	20.93	0.89	247.14
28.	Chemicals (Other Than Fertilizers)	762.76	1,469.95	1,392.80	3,625.51
29.	Photographic Raw Film and Paper	0.75	0.00	0.00	0.75
30.	Dye-Stuffs	54.89	3.32	10.70	68.90

1	2	3	4	5	6
31.	Drugs & Pharmaceuticals	1,497.74	754.26	857.39	3,109.38
32.	Textiles (Including Dyed, Printed)	197.42	230.13	618.95	1,046.50
33.	Paper and Pulp (Including Paper Products)	116.21	85.21	197.61	399.03
34.	Sugar	27.77	105.85	15.92	149.54
35.	Fermentation Industries	225.38	202.36	110.86	538.60
36.	Food Processing Industries	515.86	505.88	727.22	1,748.97
37.	Vegetable Oils and Vanaspati	148.34	34.22	108.45	291.01
38.	Soaps, Cosmetics and Toilet Preparations	177.22	193.26	92.60	463.08
39.	Rubber Goods	284.51	296.15	262.76	843.42
40.	Leather, Leather Goods and Pickers	34.21	17.13	2.30	53.64
41.	Glue and Gelatin	21.44	0.82	90.60	112.86
42.	Glass	41.82	25.78	51.69	119.29
43.	Ceramics	35.29	51.21	15.40	101.90
44.	Cement and Gypsum Products	208.99	19.69	2,130.10	2,358.78
45.	Timber Products	8.97	53.17	10.23	72.37
46.	Defence Industries	0.08	0.10	0.00	0.17
47.	Consultancy Services	458.13	517.47	261.14	1,236.74
48.	Services Sector (Fin., Banking, Insurance, Non Fin/Business, Outsourcing, R&D, Courier, Tech. Testing and Analysis, Other)	4,443.26	6,889.46	8,684.07	20,016.79
49.	Hospital & Diagnostic Centres	567.85	742.35	747.38	2,057.59
50.	Education	78.86	230.78	160.12	469.76
51.	Hotel & Tourism	777.01	1,332.69	916.13	3,025.83
52.	Trading	2,727.96	3,845.32	2,338.40	8,911.67

1	2	3	4	5	6
53.	Retail Trading	168.72	262.24	450.94	881.90
54.	Agriculture Services	59.95	84.65	76.43	221.03
55.	Diamond, Gold Ornaments	280.18	58.54	123.92	462.64
56.	Tea and Coffee (Processing & Warehousing Coffee & Rubber)	1.43	1.12	1.60	4.15
57.	Printing of Books (Including Litho Printing Industry)	72.58	122.81	53.17	248.56
58.	Coir	1.36	0.00	0.00	1.36
59.	Construction (Infrastructure) Activities	870.25	4,510.71	1,860.73	7,241.69
60.	Construction Development: Townships, housing, built-up infrastructure and construction-development projects	769.14	112.55	105.14	986.83
61.	Miscellaneous Industries	765.88	668.77	296.40	1,731.05
	GRAND TOTAL	30,930.50	40,000.98	43,478.27	114,409.75

Statement-III

Details of standard operating procedure for clearance of FDI proposals post abolition of FIPB

No. 1/8/2016-FC-1
Government of India
Ministry of Commerce and Industry
Department of Industrial Policy and Promotion

29th of June, 2017

Standard Operating Procedure (SOP) for Processing FDI Proposals

I. **Online Filing of Application**

(1) Proposals for foreign investment in sectors/activities requiring Government approval as per the Consolidated FDI Policy Circular of 2016, as amended from time to time, would be filed online on the revamped FIPB portal, rechristened as Foreign Investment Facilitation Portal.

(2) The applicant would be required to submit the proposal for foreign investment in the format as available on the portal and upload documents as per the list at Annexure-1.

(3) After the proposals are filed online, DIPP will identify the concerned Adrninistrative/Ministry/Department and e-transfer the proposal to the concerned Administrative Ministry/Department (Competent Authority) within 2 days.

3.1 In case of digitally signed applications, the applicant is not required to submit any physical copy with the competent authority. For applications which are not digitally signed, DIPP would inform the applicant through online communication to submit one signed physical copy of the proposal to the Competent Authority. Applicant would be required to submit the signed physical copy of the application within 5 days of such cornmunication from DIPP.

3.2 Calculation of timelimits for disposal of applications would be with reference to the date of filing of online application. However, if the signed physical copy is not filed with the Competent Authority within 7 days of the communication from DIPP, the date of filing of the physical application would be reckoned as the reference date for calculation of time limits.

II. **Competent Authorities for Approval of Foreign Investment**

(1) Following are the Competent Authorities for grant of approval for foreign investment for sectors/activities reqviring Government approval:

Sl. No.	Activity/sector	Administrative Ministry/ Department
1	2	3
(i)	Mining	Ministry of Mines
(ii)	Defence	
	(a) Items requiring Industrial Licence under the Industries (Development and Regulation) Act, 1951, and/or Arms Act, 1959 forwhich the powers have been delegated by Ministry of Home Affairs to DIPP	Department of Defence Production, Ministry of Defence

1	2	3
	(b) Manufacturing of Small Arms and Ammunitions covered under Arms Act 1959	Ministry of Home Affairs
(iii)	Broadcasting	Ministry of Information and Broadcasting
(iv)	Print Media	
(v)	Civil Aviation	Ministry of Civil Aviation
(vi)	Satellites	Department of Space
(vii)	Telecommunication	Department of Telecommunications
(viii)	Private Security Agencies	Ministry of Home Affairs
(ix)	Applications involving investments from *Countries of Concern* which presently include Pakistan and Bangladesh, requiring security clearance as per the extant FEMA 20, FDI Policy and security guidelines, amended from time to time	
(x)	Trading (Single, Multi brand and Food Product Retail Trading)	Department of Industrial Policy and Promotion
(xi)	FDI proposals by Non-Resident Indians (NRIs)/ Export Oriented Units (EOUs) requiring approval of the Government	
(xii)	Application relating to issue of equity shares under the FDI policy under the Government route for import of capital goods/machinery/ equipment (excluding second-hand machinery)	Department of Industrial Policy and Promotion
(xiii)	Applications relating to issue of equity shares for pre-operative/pre-incorporation expenses (including payments of rent etc.)	
(xiv)	Financial services which are not regulated by any Financial Sector Regulator or where only part of the financial services activity is regulated or where there is doubt regarding the regulatory oversight	Department of Economic Affairs

1	2	3
(xv)	Applications for foreign investment into a Core Investment Company or an Indian company engaged only in the activity of investing in the capital of other Indian Company/ies	Department Economic Affairs
(xvi)	Banking (Public and Private)	Department of Financial Services
(xvii)	Pharmaceuticals	Department of Pharmaceuticals

(2) In respect of sectors/activities which are presently under automatic route but required Government approval earlier as per the extant policy during the relevant period, concerned administrative Ministry/Department would be the Competent Authorities for the grant of post-facto approval for foreign investment.

(3) In respect of applications in which there is a doubt as to which is the concerned Administrative Ministry/Department, DIPP shall identify the Administrative Ministry/Department where the application will be processed for decision.

III. Procedure for Processing of Applications Seeking Approval for Foreign Investment

(1) Competent Authorities shall not replicate an inter-Ministerial body in respective Ministries/Departments to grant approval for foreign investment. New regime for foreign investment needs to be simpler in execution and expeditious in disposal.

(2) Once the proposal is received, same shall be circulated online within 2 days by DIPP to Reserve Bank of India for comments from FEMA perspective. Proposals for foreign investment in sectors requiring security clearance would additionally be referred to Ministry of Home Affairs for comments. Further, all proposals would be forwarded to Ministry of External Affairs (MEA) and Department of Revenue (DoR) for information. ME A and DoR may give their comments within the stipulated time period, wherever necessary. All comments will be given directly to the concerned Administrative Ministry/Department.

(3) Following proposals will require security clearance from Ministry of Home Affairs:

i. Investments in Broadcasting, Telecommunication, Satellites - establishment and operation, Private Security Agencies, Defence, Civil Aviation and Mining and mineral separation of titanium bearing minerals and ores, its value addition and integrated activities.

ii. Investments from Pakistan and Bangladesh.

(4) Specific issues of proposals requiring clarification from the point of view of FDI policy may be referred to DIPP for clarification. Consultation with DIPP will hence be need based and not routine and regular. DIPP will provide clarification within 15 days on specific issues of FDI policy as maybe referred by the Competent Authority.

(5) Consultation with any other Ministry/Department will require full justification and approval of the Secretary concerned.

(6) Ministries/Departments consulted on the proposal shall upload their comments on the portal within 4 weeks from the online receipt of the proposal. In case comments of consulted Ministries/Departments/ Regulatory Bodies are not received within the stipulated time, it would be presumed that they have no comments to offer. Comments by Ministry of Home Affairs on proposals for investment in sectors requiring security clearance would be provided to the Competent Authority within 6 weeks from the online receipt of such proposals. In cases where MHA is not in a position to provide its comments with 6 weeks, it will intimate the concerned administrative Ministry/Department of the expected time frame within which MHA would be able to give its comments.

(7) The Competent Authority shall, within 1 week, scrutinize the proposal and documents attached therewith and ask the applicant for relevant additional information/documents, if so required. All such queries shall be made online/emailed to the applicant so as to avoid delay. If no clarifications to the queries are received within 1 week, the applicants shall be reminded to expedite their clarifications. To the extent possible, all queries to the applicant shall be raised by the competent authority in the initial communication itself. Time taken by the applicant in addressing the

queries raised by the Competent Authority will be excluded from the time limits for disposal of proposal.

(8) While examining the proposals, adequate care has to be exercised keeping in view the extant FDI Policy, Press Notes, FEMA/RBI Notifications/ Guidelines issued from time to time. The Competent Authority should take into consideration the sectoral requirements and the sectoral policies *vis-a-vis* the proposals.

(9) Once the proposal is complete in all respects, which should not be later than six weeks/eight weeks (in cases where comments of Ministry of Home Affairs have been sought from security clearance point of view) from the receipt of the proposal, the Competent Authority shall, within the next two weeks, process the proposal for decision and convey the same to the applicant. Approval/rejection letters will be sent online by the Competent Authority to the applicant, consulted Ministries/ Departments and DIPP.

(10) In case of proposals involving total foreign equity inflow of more than ₹ 5000 crore, Competent Authority shall place the same for consideration of Cabinet Committee on Economic Affairs within the above timelines. After the receipt of the decision of Cabinet Committee on Economic Affairs, approval letter shall be issued within 1 week.

(11) In respect of proposals where the Competent Authority proposes to reject the proposals or in cases where conditions for approval are stipulated in addition to the conditions laid down in the FDI policy or sectoral laws/ regulations, concurrence of DIPP shall compulsorily be sought by the Competent Authority within 8 weeks/10 weeks (in cases where comments of Ministry of Home Affairs have been sought from security clearance point of view) from the receipt of the proposal.

(12) Approval letters have to be issued by the Competent Authority in the format prescribed at Annexure-2.

(13) DIPP and each of the Competent Authorities shall maintain a database on the/proposals received along with details such as date of receipt, investor and investee company details, volume of foreign investment involved, and date of grant of approval/rejection letter.

IV. **Time-Limits**

Sl. No.	Action Points	Time Period	Cumulative Time Period
(i)	Dissemination of Investment Proposal by DIPP to Concerned Ministry/Department	2 days	One Week
(ii)	Time for submission of signed physical copy of the proposal by applicant to the Competent Authority, if needed	5 days	
(iii)	Initial scrutiny of the proposal and documents attached therewith, and seeking relevant additional information/documents from the applicant	One Week	Two Weeks
(iv)	Time limit for submission of clarification by DIPP on specific issues of FDI policy	Two Weeks	Four Weeks
(v)	Time limit for Submission of Comments by Consulted Ministry/ Department/ RBI/ Any Other Stakeholder	Four Weeks	Six Weeks
(vi)	Time limit for submission of Comments by Ministry of Home Affairs on proposals requiring security clearance	Six Weeks	Eight Weeks
(vii)	Time limit for approval on proposals by Competent Authority for grant of approval		
	Proposals not requiring security clearance	Two Weeks	Eight Weeks
	Proposal Requiring security clearance		Ten Weeks

Note:

(i) Additional time of 2 weeks will be given to DIPP for consideration of those proposals which are proposed for rejection or where additional conditions which are not provided in the FDI policy are proposed to be imposed by the Competent Authority.

(ii) Time limits allocated exclude the time taken by applicants in removing deficiencies in the proposals/supplying additional information as may be required by the Competent Authority.

V. **Monitoring and Review**

(1) Competent Authorities will hold a regular monthly review on the foreign investment proposals pending with them.

(2) Joint quarterly review meeting, convened by DIPP, will be held under the co-chairmanship of Secretary, DIPP and Secretary, DEA on pendency of proposals with Government. The Secretary of the concerned Administrative Ministry/Department may also attend the meeting.

(A) List of Documents

Sl. No.	Document
1.	Certificate of Incorporation of the Investee and Investor Companies/Entities* (Investee company may be a proposed entity and may not be incorporated).
2.	Memorandum of Association (MOA) of the Investee and Investor Companies/ Entities.*
3.	Board Resolution of the Investee and Investor Companies/Entities.*
4.	Audited Financial Statement of Last Financial Year of the Investee & Investor Companies/Entities.*
5.	Article of Association of the Investee and Investor Companies/Entities.*
6.	List of Names and addresses of all foreign collaborators along with Passport Copy/ Identification Proof of the Investor Company/Entity.*
7.	Diagrammatic representation of the flow and funds from the original investor to the investee company and Pre and Post shareholding pattern of the Investee Company.*
8.	Affidavit stating that all information provided in hard copy and online are the same and correct.*
9.	Signed copy of the JV agreement/shareholders agreement/technology transfer/ trademark/brand assignment agreement (as applicable), in case there are existing ventures.
10.	Board resolution of any joint venture company.
11.	Certificates of Incorporation and charter documents of any joint venture/ company which is a party to the proposed transaction.

Sl. No.	Document
12.	Copy of Downstream Intimation.
13.	Copy of relevant past FIPB/SIA/RBI approvals, connected with the current proposal (in case of amendment proposal)
14.	Foreign Inward Remittance Certificate (FIRC in case investment has already come in and in case of post-facto approval
15.	In the cases of investments by entities which themselves are pooled investment funds, the details such as names and addresses of promoters, investment managers as well as all the contributors to the investment fund.
16.	List of the downstream companies of the Indian company and the details of the equity held by the Indian Company along with the details of the activities of the companies.
17.	High Court order in case of a scheme of arrangement.
18.	Valuation certificate as approved by a Chartered Accountant.
19.	Non-compete clause certificate of the investor and investee company in case of investment in pharmaceutical sector (As per Annexure 10 of Consolidated FDI Policy Circular of 2016), and as amended from time to time.
20.	Certificate of statutory auditors as mandated in the FDI policy, as applicable.

* denotes mandatory documents

(B) Approval Letter Format

F.No.-

Government of India

Ministry

Department

......Bhawan, New Delhi-110 011

Dated, 20.................

Applicant Address

....

....

....

Subject:

Sir,

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

1.	(a) Name and address of the foreign investors	...Name...............
		... Address..........
	(b) Name and address of the implementing company	... Name...............
		.....Address.........
2.	Item(s) of manufacture/ activity covered by the foreign collaboration	Existing: Proposed:

3. Location:

4. Foreign Investment: The total foreign investment is upto X%. XYZ Pvt. Ltd. will hold ....% of shares and ABC will hold ... % of shares.

5. The above approval is subject to the following conditions:

(i) FDI policy conditionalities and other Sectoral Regulations/Guidelines.

(ii) Claim of any tax relief under the Income-tax Act, 1961 or the relevant DTAA will be examined independently by the tax authorities to determine the eligibility and extent of such relief and the approval of ABC Deptt. by itself will not amount to any recognition of eligibility for giving such relief.

(iii) ABC Deptt approval by itself does not provide any immunity from tax investigations to deterrnine whether specific or general anti-avoidance Rules apply.

(iv) The fair market value of various payments, services, assets, shares etc., detenruned in accordance with ABC Deptt guidelines shall be examined by the tax authorities under the tax laws and rules in force and maybe varied accordingly for tax purposes; and

(v) The taxation of dividend, future capital gains on alienation of shares by the foreign investor, interest income and income of any other nature shall be examined by the field formation in accordance with the provisions of Income-tax Act, 1961 and DTAA applicable to the facts of the case.

6. Taxation of capital gains arising out of the proposed transaction shall be examined by the field formation.

7. The pricing of shares shall be in accordance with the RBI/SEBI guidelines.

8. The above approval is subject to condition that, for opening the outlets, the company should register its outlets with the concerned authorities in the concerned States/UTs and shall have to comply with prevailing regulations in every State/UT for setting up its outlets.

9. There would be no need for obtaining prior approval of ABC Deptt for increase in the amount of foreign equity, provided there is no change in the percentage of foreign/NRI equity already approved and the total foreign equity is upto ₹....The company will notify such increase to the ABC Deptt within thirty days of receipt of funds as also allotment of shares to the non-resident shareholders.

10. In case the proposed activity is not exempted from the provisions of Industrial (Development and Regulation) Act, 1951 and the Foreign Exchange Management Act, 1999, it will be your responsibility to obtain such clearances, as maybe required under the said Acts.

11. The location of the industrial project will be subject to Central or State Environmental laws or regulations, including local zoning and land use laws and regulations. In case the unit is to be setup in NCT of Delhi, it shall also conform to the locational policy of NCT of Delhi and directions of the Hon'ble Supreme Court in the matter.

12. Adequate steps shall be taken to the satisfaction of the Government to prevent air, water and soil pollution. The anti-pollution measures to be installed should conform to the effluent and emission standards prescribed by the State Government in which the factory or the industrial undertaking is located.

13. Import of capital equipments, components and raw materials will be allowed as per the import pokey prevailing from time to time.

14. This approval letter is made a part of the foreign collaboration agreement to be executed between you and the foreign collaborator and only those provisions of the agreement which are covered by this letter or which are not at variance with the provisions of this letter shall be binding on the Government of India or Reserve Bank of India.

15. The agreement between the foreign investor(s) and the investee entity(ies) shall be subject to compliance of Indian Laws.

16. You shall ensure that your proposed investment approved *vide* this letter is in compliance with Prevention of Money Laundering Act, 2002, as amended from time to time.

17. All remittances to the foreign collaborator shall be made as per the exchange rates prevailing on the day of remittance.

18. The Administrative Ministry for this project is ABC Deptt.

19. You are requested to acknowledge and confirm acceptance of the above terms and conditions to ABC Section of this Department.

20. A copy of the collaboration agreement, signed by both parties may be furnished to the following authorities:

    a. Administrative Ministry(s)/Department^) as mentioned above.

    b. ...., Department of ... Ministry,......, New Delhi -.....Pin Code.

21. All future correspondence for amendments/changes in terms and conditions of the approval letter if required, etc. may be addressed to the ... Section of the ...... Department......, New Delhi -.....Pin Code Email:

Your faithfully

Steps to improve 'ease of doing business'

1139. SHRI K. C. RAMAMURTHY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the Ministry has taken more than 7,000 steps to improve the 'ease of doing business' in the country;

(b) if so, the details of each of 7,000 steps taken by the Ministry; and

(c) what are the reasons for not improving the business climate in the country and also the rank remains stagnant in the recently released World Bank's Doing Business 2017 Report in spite of taking 7,000 steps?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) Yes, Sir. Department