

**Internal standard operating procedure for scrutiny of FDI cases in the
Department of Telecom & check list**

1. DoT doesn't have any mechanism to verify the documents provided by the applicant company. Hence, the documents submitted by the company shall be presumed to be authentic.
2. The comprehensive comments of concerned licensing wing shall be solicited in every proposal which in turn be provided within **two weeks** comprising following information:
 - Specific comments on the FDI proposal of the company/ applicant
 - Any complaint received against the company (investor/investee),
 - Any violation reported or noticed against the investor/investee,
 - Any other adverse observation made against the investor/investee,
 - Details of license/Registration held viz. issue, expiry date & validity
 - Any other information
3. MHA security clearance will be obtained in each proposal. The applicant will upload security clearance form at the portal.
4. Applicability of FDI Policy provisions, regulation will be ascertained at every stage of the examination. Further, for the compliance with the FEMA regulations/ RBI circulars, this Department will rely only on the comments offered by RBI as IP Division doesn't have the expertise of the subject.
5. If the company proposes to provide satellite based services, then comments from Department of Space will be mandatorily sought.
6. Specific issues of proposals requiring clarification from the point of view of FDI Policy may be referred to DIPP for clarification.
7. Comments/inputs from any other Ministry/Department or any other organization may be sought, if found relevant to the proposal.

8. IP Cell does not have the mechanism to monitor the compliance of the terms and conditions to be imposed in the approval letter for FDI proposals. However, licensing wings have the existing mechanism for monitoring of conditions prescribed in their respective licenses. Therefore, licensing wings will be entrusted the responsibility of ensuring compliance of the terms and conditions prescribed in the FDI approval letter, a copy of which will be marked to them.

CHECK LIST

Sl. No	Queries	Remark
1	Whether the applicant has submitted the documents as per Annexure-1 of SOP issued by DIPP	
2	Name & details of Investor	
2.1	Whether Investor is eligible investor under chapter 3 of FDI policy 2017	
2.2	If so, which types of investor they are: (i) A Non-resident entity (para 3.1.1 of FDI Policy 2017) or (ii) A citizen/entity of Bangladesh or Pakistan (Para 3.1.1) (only government rout applicable) or (ii) NRIs resident in Nepal and Bhutan (Para 3.1.2) or (iii) Citizens of Nepal and Bhutan (Para 3.1.2) or (iv) OCBs (prior permission of RBI required) (para 3.1.3) or (v) A company/trust/partnership firm (owned and controlled by NRIs) (Para 3.1.4) or (vi) FII & FPI under Portfolio Investment Scheme (Para 3.1.5) or (vii) Registered FIIs/FPIs and NRIs (Para 3.1.6)	

	or (viii) A SEBI registered Foreign Venture Capital Investor (FVCI) (Para 3.1.7)	
3	Name and details of investee	
3.1	Whether Investee is eligible investee under chapter 3 of FDI policy 2017	
3.2	If so, which types of investee they are: (i) Indian company (Para 3.2.1) or (ii) Partnership Firm/ Propriety concern (para 3.2.2) or (iii) Trust (having "VCF" registered and regulated by SEBI and 'Investment Vehicle' (para 3.2.3) or (iv) Limited Liability Partnership (LLP) subject to certain condition (Para 3.2.4) or (v) Investment Vehicle (Para 3.2.5) Or (vi) Start-up Companies subject to certain condition (para 3.2.6) or (vii) Other Entities (FDI in resident entities other than the above is not permitted) (Para 3.2.7)	
4	Types of Instruments for investment (Para 3.3):-	
4.1	Whether the investments are as per Annexure 2 of FDI Policy 2017	
4.1.1	If so, specify	
4.2	Whether the investments are by issue/transfer of shares etc as per Annexure 3 FDI Policy 2017	
4.2.1	If so, specify	
5	Entry Routes for investment (3.4)	
5.1	Specify the concern sub-para under para 3.4 of FDI policy 2017	
6	Applicability of Special Condition (Annexure 4 of FDI policy 2017)	
6.1	Issue of Rights/Bonus Shares	
6.2	Prior permission of RBI, if required	
6.3	Whether there is any swap of share	
7	Other documents/information:	
7.1	Whether FDI approval is required	

7.2	Quantum of FDI & calculation	
7.3	Level of approval of FDI proposal i.e. CCEA or Minister-in-charge	
7.4	Whether foreign investment is in form of Direct or Indirect or both	
7.5	Pre and Post shareholding pattern	
7.6	Diagrammatical representation of flow of funds	
7.7	Any specific condition imposed by FIPB/SAI	
7.8	Comments of RBI	
7.9	Comments of MHA	
7.10	Comments of DoR	
7.11	Comments of MEA	
7.12	Comments of any other Ministry/Department, if any	
7.13	Comments of licensing division of DoT	

Abbreviation used:

NRI – Non-resident Indian

OCB – Overseas Corporate Body

FII – Foreign Institutional Investor

FPI – Foreign Portfolio Investor

SEBI – Securities and Exchange Board of India

FVCI – Foreign Venture Capital Investor

VCF – Venture capital funds

LLP – Limited Liability Partnership
