

No. 1/8/2016 - F.C. I
GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY & INTERNAL TRADE

DATED: 04.05.2026

**Standard Operating Procedure (SOP) for Processing Foreign Direct Investment
(FDI) Proposals**

I. Online Filing of Application:

1. Proposals for foreign investment requiring Government approval as per the Consolidated FDI Policy dated 15.10.2020, as amended from time to time (**FDI Policy**) and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 dated 17.10.2019, as amended from time to time [**FEM (NDI) Rules**], are required to be filed online through the Foreign Investment Facilitation (FIF)/NSWS [**Portal**]. Administrative Ministries/ Departments will continue to examine FDI proposals on the Portal.
2. The applicant shall prepare and submit the FDI application along with the relevant documents (as per **Annexure - I**) in terms of the format and requirements under the Portal. The applicant shall also be required to file the Security Clearance Form as per **Annexure - II**, wherever applicable [See Para II (3) of this SOP]
3. This SOP aims to make the FDI application filing process completely paperless. Therefore, the applicant will not be required to file physical copies of any documents required to process FDI proposals.
4. Competent Authorities shall not replicate an Inter-Ministerial body in respective Ministries/Departments to grant approval for foreign investment. The regime for the disposal of FDI proposals needs to be simpler to execute

and more expeditious. The decision shall be conveyed by the Administrative Ministries/Departments as per **Annexure - III**, read with **Annexure - IV**.

II. Procedure for Processing of Applications Seeking Approval for Foreign Investment:

1. After a proposal is filed online, the Department for Promotion of Industry & Internal Trade (DPIIT), Ministry of Commerce & Industry, will identify the concerned Administrative Ministry/Department and assign the proposal within the prescribed timeline (as per **Annexure - V**) to the concerned Administrative Ministry/Department (Competent Authority) for processing and disposal of the proposal. List of Competent Authorities is as per Chapter 4 of the FDI Policy. The Administrative Ministries/Departments shall process the applications seeking post-facto approval in terms of para 4.1.2 of FDI Policy.
2. The proposal shall also be circulated online within the prescribed timeline as per **Annexure - V**, by DPIIT to the Reserve Bank of India (RBI) for comments from the perspective of the Foreign Exchange Management Act, 1999 (42 of 1999) (FEMA) and rules/regulations thereunder. Proposals for foreign investment that require security clearance shall also be referred to the Ministry of Home Affairs (MHA) for comments. All proposals shall be forwarded to the Ministry of External Affairs (MEA). MEA shall provide their comments/clearance in proposals seeking approval for investments from countries sharing land border with India under Para 3.1.1 of FDI Policy and in other cases, wherever necessary, within the stipulated time period. All the aforementioned comments/clearances shall be uploaded directly on the Portal by MHA, MEA and RBI, which shall be accessed by the concerned Administrative Ministry/Department and DPIIT.

3. **The following proposals shall require security clearance from MHA, as per the extant FDI Policy:**
 - i. Investments in Broadcasting, Telecommunications, Space, Private Security Agencies, Defence, Civil Aviation, and Mining & mineral separation of titanium-bearing minerals and ores, its value addition, and integrated activities.
 - ii. Applications falling under the purview of Press Note 2 of 2026 dated 15.03.2026, read with Foreign Exchange Management (Non-debt Instruments) (Amendment) Rules, 2026 dated 01.05.2026.
4. All Ministries/ Departments consulted on any proposal, including RBI, MHA and MEA shall provide their comments within the timeline prescribed as per **Annexure - V**. In case comments are not received within the prescribed time, it shall be presumed that they have no comments to offer.
5. The Competent Authority shall, within the timeline prescribed as per **Annexure - V**, scrutinize the proposal and documents attached therewith and ask the applicant for relevant additional information/documents, if so required. All such queries shall be raised only through the Portal to the applicant. To the extent possible, all queries to the applicant shall be raised by the Competent Authority in the initial communication itself.
6. While examining the proposals, adequate care has to be exercised, keeping in view the FDI Policy, Press Notes, FEMA/RBI Notifications/Guidelines issued from time to time. The Competent Authority should take into consideration sectoral requirements and policies vis-à-vis the proposals.

7. Once the processing of the proposal is complete in all respects, the Competent Authority shall take a decision within the prescribed timeline as per **Annexure - V**, and convey the same to the applicant with a copy to all consulted Ministries/Departments, Regulatory Agencies and DPIIT through the Portal itself.
8. In case of proposals involving total foreign equity inflow of more than the limit as stated in Para 4.1.5 of Chapter - 4 of the FDI Policy, Competent Authority shall place the same for consideration of Cabinet Committee on Economic Affairs (CCEA) within the timeline prescribed as per **Annexure - V**. After the receipt of the decision of CCEA, the decision shall be conveyed to the applicant.
9. **Closure:** The Competent Authority shall scrutinise the application (along with enclosed documents) within one (01) week. Upon initial scrutiny, additional clarifications / information / documents may be sought from the applicant, if so required. In case the requisite information / clarification / documents are not received within one (01) week, a reminder shall be issued to the applicant to submit the response within next seven (07) days. Further, if the requisite information / clarification / documents are not submitted by applicant without any adequate reason, a final reminder shall be issued to the applicant to respond within next seven (07) days. An application may be closed by the Administrative Ministry / Department for reasons including incompleteness of the application (i.e., non-submission of the prescribed documents/ information by the applicant) and deficiencies in addressing the queries by the Administrative Ministry / Department despite reminders. It should be noted that the closure of an FDI application will not amount to its rejection and is without prejudice to the applicant reapplying with all requisite documents. While closing the FDI applications, the applicant may be advised to apply afresh along with all requisite documents, if they so wish.

The Competent Authority for the closure of the FDI proposal, due to inadequate/incomplete information/documents, shall be the Secretary of the concerned Administrative Ministry/Department.

10. **Rejection of Proposal or Insertion of Additional Conditions:** 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 DPIIT shall compulsorily be sought by the Competent Authority, with the approval of the Secretary concerned. Secretary, DPIIT is the competent authority for decision on cases referred by other Administrative Ministries/ Departments, seeking concurrence of DPIIT for rejection of the proposal/ stipulation of additional conditions in the approval letter. It is clarified that concurrence of DPIIT is not required for imposing conditions concerning compounding under FEMA provisions and/or compliance with laws/ regulations of the land or court orders. Upon issuance of the rejection letter by the Administrative Ministry/Department, a copy of the letter should also be forwarded to all consulted Ministries, Departments, and Regulatory agencies.
11. **Withdrawal by the Applicant:** An applicant may withdraw its FDI proposal pending decision, subject to submission of a duly authorized letter of withdrawal clearly explaining the reasons for such withdrawal, addressed to the Competent Authority, with a copy to the DPIIT. Such a withdrawal request should be acknowledged by the Competent Authority on the Portal, after which the proposal shall be treated as withdrawn.
12. **Approval letter** shall be issued by the Competent Authority in the format prescribed at **Annexure – III**.

13. **Surrender of Approval by the Applicant:** If an applicant proposes to surrender the approval letter granted to the investee entity/investor, then the concerned administrative Ministry/Department may accept the surrender of the approval letter after the applicant submits such a declaration in original, signed by the authorized representative of the applicant, clearly explaining the reasons for such surrender. Further, an acknowledgement in this regard must be sent to the applicant, clearly indicating the date from which the approval letter is withdrawn. A copy of the same should be marked to all consulted Ministries, Departments and Regulatory agencies.
14. **Rectification of mistakes in the Approval Letter:** The applicant may request rectification of typographical or grammatical mistakes or other errors in the text/format of the Approval Letter, as apparent from the records. After necessary verification and due diligence, the Administrative Ministry/Department may issue a corrigendum, with approval of the Secretary concerned. The format for issuing a corrigendum is set out in **Annexure - IV**.
15. **Compounding of Contraventions:** FDI is a capital account transaction; thus, any violation of FDI regulations is subject to the penal provisions of FEMA. Provisions of Para 3 of Annexure-5 of FDI Policy and Section 15 of Foreign Exchange Management Act, 1999 permit compounding of contraventions, and Foreign Exchange (Compounding Proceedings) Rules, 2000, as amended from time to time, lay down the basic framework for the compounding process. Administrative Ministries/Departments are advised to refer to the Master Directions on Compounding of Contraventions under FEMA, 1999, issued by the RBI.

III. Time limits for processing FDI Proposals are prescribed under **Annexure - V**.

IV. **Guidelines on Investments from Countries Sharing Land Border with India (LBCs) [as amended vide Press Note 2 of 2026 dated 15.03.2026 read with**

Foreign Exchange (Non-debt Instruments) (Amendment) Rules, 2026 dated 01.05.2026]:

- i. The reporting guidelines for investments covered by Para 3.1.1(d) of the FDI Policy are prescribed in Para I of **Annexure - VII**.
- ii. The guidelines for proposals seeking Government approval for LBC investments in specified sectors/activities are placed in Para II of **Annexure - VII**. For cases covered by **Annexure - VII**, the timelines prescribed therein shall prevail notwithstanding the general timelines in **Annexure - V**.

V. Monitoring & Review:

1. Each Ministry/ Department should have a dedicated FDI Cell with a nodal officer not below the rank of Joint Secretary.
2. Regular review meetings with the concerned Administrative Ministry(ies)/Department(s) on the pendency of FDI proposals shall be convened by the Secretary, DPIIT, every four (04) to six (06) weeks.

ANNEXURE - I

Applicant shall upload documents digitally signed by an authorized person filing the application, as a part of the FDI Application on the Portal. Security Clearance Form as per Annexure - II for applicable cases, is to be uploaded separately:

S. No.	Document	Description
1.	Letter of authorization by the Applicant in favor of the person(s) filing the Application	Letter of authorization needs to be on the Applicant's Letterhead signed by a person competent to do so.
2.	Summary on FDI Proposal	On applicant's letter head, brief shall include details such as: • background of Investee(s) and Investor(s); • existing and proposed business activity/business model of the Investee(s) and Investor(s); • details of beneficial ownership; • particulars of transaction for which approval is sought; • reasons for seeking approval along with relevant provisions of FDI Policy and FEMA Rules/Regulations; • benefits arising from the proposal • details of projected investments; and • details of ownership and control of Investee (s) and Investor (s); • address of correspondence for the purpose of all communications with/by the Department; • any other relevant information as appropriate
3.	Shareholding pattern of the Investee	Pre and Post transaction shareholding pattern

S. No.	Document	Description
4.	Diagrammatic representations	(i) Flow of funds from the investor to the investee. (ii) Group structure / organizational chart of the company clearly indicating inter-se shareholding percentage and respective place of incorporation / registration / citizenship / residency.
5.	Beneficial Ownership Details	
a.	Beneficial Ownership from countries sharing land border with India (LBCs)	Details of the beneficial owner(s) as per the requirements under Para 3.1.1(c) of the FDI Policy [as amended vide Press Note 2 of 2026 dated 15.03.2026 read with Foreign Exchange Management (Non-debt Instruments) (Amendment) Rules, 2026 dated 01.05.2026] along with their respective degree/percentage of shareholding/stake and control. Details of all upstream shareholders/investors, directors, investment committee members, general partners, limited partners and key managerial personnel who are from any LBC, up to the ultimate beneficial owner, including details of public shareholding wherever relevant, for the purpose of determining beneficial ownership under Para 3.1.1(c) of the FDI Policy, as amended from time to time. The disclosure shall include ownership/shareholding/stake, control rights including board appointment rights, veto rights and any other right granting direct or indirect control or ultimate effective control, along with the place of incorporation/registration/citizenship of all such entities/individuals.
b.	Details of Significant Beneficial Owner (SBO) of the Indian investee entity	In terms of the requirements under the Companies Act, 2013 and Rules thereunder

S. No.	Document	Description
6.	Investee Documents	
a.	Certificate of Incorporation (CoI) of Investee	In case of yet to be incorporated investee entities, a declaration on the Applicant's Letterhead may be obtained that the investee is yet to be incorporated and the same will be incorporated after obtaining the approval of the FDI by the Government. The applicant shall be required to submit CoI of the investee within sixty (60) days of the issue of approval letter by the Competent Authority.
b.	Memorandum of Association (MoA) of the Investee	In case of a yet to be incorporated Investee, a draft MoA shall be sought. The applicant shall be required to submit MoA of the investee within sixty (60) days of the issue of approval letter by the Competent Authority.
c.	Article of Association (AoA) of the Investee	In case of a yet to be incorporated Investee, a draft AoA wherein internal laws / by-laws of the Investee are specified, shall be provided by the applicant. However, the applicant shall be required to submit AoA of the investee within sixty (60) days of the issue of approval letter by the Competent Authority.

S. No.	Document	Description
d.	Board Resolution of the Investee for proposed Investment	In case of yet to be incorporated Investee, a letter of authority/consent by the proposed shareholders/promoters/directors/partners of the investee in support of the application shall be provided on Letterhead of Investor
e.	Audited Financial Statement of Last Financial Year of the Investee	In case of yet to be incorporated Investee or the Investee has not completed first audit cycle at the time of filing the application, a declaration on the Letterhead to that effect may be provided
7.	Investor Documents	Documents to be authenticated as per Foreign Exchange (Authentication of Documents) Rules, 2000
a.	Certificate of Incorporation (CoI) of Investor	In case Foreign Investor(s) do/does not have a CoI as per the laws of their country, documents equivalent to CoI and a declaration on Investor's Letterhead along with the necessary regulation/circular/order to that effect shall also be provided
b.	Memorandum of Association (MoA) of the Investor	In case Foreign Investor(s) is / are not required to have a separate MoA and AoA as per the laws of their country, foreign investors may provide documents equivalent to MoA and a declaration on Investor's Letterhead along with the necessary regulation / circular / order to that effect shall be provided
c.	Article of Association (AoA) of the Investor	In case Foreign Investors are not required to have a separate MoA and AoA as per the laws of their Country, foreign investors may provide documents equivalent to AoA and a declaration along with the necessary regulation/circular/order to that effect shall be provided.

S. No.	Document	Description
d.	Board Resolution of the Investor(s) for the proposed Investment,	On Investor's letterhead
e.	Audited Financial Statement of Last Financial Year of the Investor	In case Foreign investor(s) is / are exempted from the audit requirement under any special law of a Country; a declaration along with the necessary regulation / circular / order to that effect shall be provided
8.	Copy(ies) of reporting compliances in respect of Downstream Investment(s), if any	Copy of Form-DI reported on FIRMS Portal (https://firms.rbi.org.in/firms/faces/pages/login.xhtml) and downstream intimation.
9.	Past Approvals:	
a.	Copy of relevant past Approvals/ Rejection/ Closure/ Withdrawal by Applicant.	Government/FIPB/SIA/RBI approvals/ Rejection/ Closure in respect of FDI brought in, or Withdrawal by Applicant previously, if any
b.	Reporting Documents in support of past/existing foreign investment in Investee	As required under Regulation 4 of the Foreign Exchange Management (Mode of Payment and Reporting of Non-debt Instruments) Regulations, 2019 notification no. FEMA.395/2019-RB dated 17.10.2019 issued by the Reserve Bank of India (RBI).
10.	Signed executed copy(ies) of the Investment Agreement/JV agreement/shareholders agreement/share transfer agreement/technology transfer/ trademark/brand assignment agreement, Approval(s) of NCLT /	Documents to be authenticated as per Foreign Exchange (Authentication of Documents) Rules, 2000, if applicable.

	competent authority in respect of proposals involving mergers / demergers / amalgamations as applicable and required under Companies Act, 2013 and rules thereunder and/or any other rules/regulations.	
11.	Valuation certificate as required in the FDI Policy and FEM Non-debt Instrument Rules 2019 and the same should be on arm's length basis, wherever applicable.	In case of shares issued by an Indian company or transferred from a resident to non-resident or transferred from a non-resident to resident, as required under pricing guidelines notified under FEMA.
12.	Provide an undertaking that the Investee and Investors or their respective Promoter(s) / beneficial owner(s) / SBO(s)/ Shareholder(s) / Director(s) / Key Managerial Personnel is / are not subject matter of any negative / caution / debarred / sanction list by the following: (i) National Government, or (ii) International Organisation, or (iii) statutory / regulatory / investigative / enforcement authority(ies) such as SEBI, RBI, SFIO, Enforcement Directorate, CBI, Income Tax Department etc.	On the Applicant's Letterhead

13.	Any other approval / consent / NoC required by Investee or Investor(s) from any shareholder, third party or any other entity in respect of the proposed activity (ies)/ investment(s)/ transaction(s).	As applicable
14.	Declaration for proposals not falling under the purview of Para 3.1.1 of the FDI Policy [as amended vide Press Note 2 of 2026 read with Foreign Exchange Management (Non-debt Instruments) (Amendment) Rules, 2026 dated 01.05.2026]	Declaration for proposals not requiring prior Government approval under Para 3.1.1(a) or Para 3.1.1(b) of the FDI Policy, as amended from time to time: A signed declaration on the Applicant's letterhead stating that the proposed investment/transaction does not require prior Government approval under Para 3.1.1(a) or Para 3.1.1(b) of the FDI Policy.
15.	Duly notarized Affidavit on stamp paper of ₹100/- only	A notarized Affidavit on stamp paper as per format at Annexure - VI by Person Authorized as per Sr. No.1 above.

[Note: In case document(s) provided by the applicant are in a foreign language, then the English translated apostilled/consularized copy(ies) of said document(s) should be submitted]

PROFORMA FOR APPLICATION FOR SECURITY CLEARANCE FOR FDI PROPOSALS

I. Details in respect of investee company:

Sl. No.	Name of the company	Registration number with date, if incorporated	Registered office address and correspondence office	Previous name of the company, if any	Details of earlier approvals, if any (ref. no. & date)	Complete details about the proposed activities.
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II. Details in respect of investor company(ies):

Sl. No.	Name of the company	Registration number with date	Registered office address and correspondence address	Previous name of the company if any	*Ultimate beneficial ownership of the company
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**Please enclose chart depicting the link between investor company and ultimate beneficial owners / companies / organization along with details such as address, parentage, passport details (in case of individuals) or company registration details (in case of companies)*

III. Details in respect of Directors of investee company:

Sl. No.	Full Name of Board of Directors	Present position held with date (Since when)	Date of birth	Parentage (Name of father / mother)	Present & Permanent Address	Nationality (if holding multiple nationality, all must be mentioned)	Passport Nos. and issue date, if any	Contact Address & telephone number
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IV. Details in respect of Directors of investor company(ies):

Sl. No.	Full Name of Board of Directors	Present position held with date (Since when)	Date of birth	Parentage (Name of father / mother)	Present & Permanent Address	Nationality (if holding multiple nationality, all must be mentioned)	Passport Nos. and issue date, if any	Contact Address & telephone number
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V. Details of shareholders of investee company (all companies/entities/individuals with more than 10% shares):

Sl. No.	Full Name of individual / company	Parentage (name of father / mother) in case of individuals, and registration number in case of companies	Permanent address / present address in case of individuals, and registered and correspondence address in case of companies	Present position held, in any, in the applicant company	Nationality, in case of individual (if holding multiple nationality, all must be mentioned) / country of registration, in case of company	Passport Nos. and date of issue, if any (date of birth, in case passport is not available) for individuals	% of shares held in the company
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VI. Details of shareholders of investor company(ies) (all companies/entities/individuals with more than 10% shares):

Sl. No.	Full Name of individual / company	Parentage (name of father/ mother) in case of individuals, and registration number in case of companies	Permanent address / present address in case of individuals, and registered and correspondence address in case of companies	Present position held, in any, in the applicant company	Nationality, in case of individual (if holding multiple nationality, all must be mentioned) / country of registration, in case of company	Passport Nos. and date of issue, if any (date of birth, in case passport is not available) for individuals	% of shares held in the company
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VII. Foreign investor / investor company: Self-declaration regarding presence/operation in China & Pakistan, if any

VIII. Details of criminal cases, if any, against the investee company or its director(s) as per annexure

Annexure to Security Clearance Form

Self-declaration for Investee Company and its director(s) / owners

- a. Name & address and registration number of the company
- b. Name and address of owners (in case of proprietorship firm) / **directors of the company**

1. _____

2. _____

3. _____

4. _____

- c. Are the company owners (in case of proprietorship firm) / directors listed above, are the subject of any?

1.	Preventive detention proceedings under Public Safety Act / National Security Act etc.	:	Yes/No
2.	Criminal investigation in which chargesheet has been filed	:	Yes/No

- d. If yes, please provide following details

1. Case / FIR number
2. Detention / warrant number, if any,
3. Police station / district / agency
4. Sections of law under which case(s) has / have been filed
5. Name and place of the court

- e. The above mentioned details are in respect of both India and any other foreign country.

(Signature)

Note: The above self-declaration is required to be filled and signed by the authorized signatory of the applicant.

ANNEXURE - III

FORMAT FOR APPROVAL LETTER

F. No. _____

Government of India

Ministry of _____

Department of _____

<Place of issue>

Dated _____, 20____

To,

<Applicant Address>

Subject: FDI Proposal No. ____ in the case of _____ - reg.

Sir/Madam,

The undersigned is directed to convey the approval of Government of India to the
aforementioned FDI proposal, subject to the following terms and conditions:

1.	Name of Foreign Investor(s)	
2.	Address of Foreign Investor(s)	
3.	Name of Investee(s)	
4.	Registered address of Investee(s)	
5.	Item(s) of manufacture/ activity covered by the foreign collaboration	
a.	Existing	
b.	Proposed	
6.	Business Location of the Investee	
7.	Amount of FDI inflow (In INR terms and in words)	

8. Foreign Investment: The total foreign investment is upto ____%. ____ (*Name of the Foreign Investor*) ____ holds ____% of shares and ____ (*Name of other Shareholders, if any*) ____ holds ____% of shares.
9. The above approval is subject to the following conditions:
- (i) Applicable conditionalities under the Consolidated FDI policy, as amended from time to time (FDI Policy) read with Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended from time to time [FEM (NDI) Rules].
 - (ii) Relevant Sectoral Laws, Regulations and Guidelines.
 - (iii) 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 Competent Authority by itself will not amount to any recognition of eligibility for giving such relief.
 - (iv) Competent Authority approval by itself does not provide any immunity from tax investigations to determine whether specific or general anti-avoidance Rules apply.
 - (v) The fair market value of various payments, services, assets, shares etc., determined in accordance with FEMA Rules/Regulations or any other applicable rules/regulations/guidelines, shall be examined by the tax authorities under the tax laws and rules in force and may be varied accordingly for tax purposes; and

- (vi) 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.
- (vii) Taxation of capital gains arising out of the proposed transaction shall be examined by the field formation.
- (viii) The onus of compliance with the sectoral or statutory caps on foreign investment and attendant conditions, if any, shall be on the Investee(s).
- (ix) No prior approval of the Competent Authority shall be required for increase in the amount of foreign equity, provided that, there is no change in percentage of foreign/NRI equity already approved and total foreign equity is upto INR 5000 crores (*limit as stated in Para 4.2.1 (iv) of the FDI Policy*). The Investee shall only be required to notify such increase to the Competent Authority within thirty days of receipt of funds as also allotment of shares to the non-resident shareholders.
- (x) In case of yet to be incorporated Investee, the Applicant shall submit the Certificate of Incorporation, Memorandum of Association and Articles of Association of the newly incorporated Investee to the Competent Authority within sixty (60) days from the date of this Approval Letter.
- (xi) In case of yet to be incorporated Investee, the Applicant shall submit the Audited Financial Statements upon completion of first audit cycle of the Investee to the Competent Authority.

- (xii) The pricing of capital instruments shall be in accordance with the RBI/SEBI guidelines. Mode of payment, documentation and reporting requirements shall be complied in terms of the FEM(NDI) Rules; Foreign Exchange Management (Mode of Payment and Reporting of Non-debt Instruments) Regulations, 2019 and as stipulated by RBI from time to time.
- (xiii) All downstream investment(s) by the Investee(s) mentioned in this Approval Letter shall be made in compliance of the relevant sectoral conditions on entry route, conditionalities, caps and sectoral regulations and in compliance with Para 3.8.4 of the FDI Policy read with Rule 23 of the FEM (NDI) Rules, as applicable.
- (xiv) Transfer of capital instruments of the Investee(s) mentioned in this Approval Letter, by or to a person resident outside India shall be regulated in terms of Annexure 3 of FDI Policy read with Rule 9 of the FEM (NDI) Rules, as applicable.
- (xv) This Approval Letter is subject to compliance with applicable State/Central policies/laws/rules/regulations prevailing in India including but not limited to Foreign Exchange Management Act, 1999 (FEMA), Income Tax Act, 1961, Companies Act, 2013, Prevention of Money Laundering Act, 2002, Industrial (Development & Regulation) Act, 1951, Environmental laws etc. as amended from time to time.
- (xvi) All foreign remittances shall be made as per the exchange rates prevailing on the day of remittance.

(xvii) Any agreement(s) executed between the Foreign Investor(s) and the Indian Investee shall be in conformity with the conditions of this Approval Letter.

(xviii) *(Any other conditions, as applicable)*

10. The Administrative Ministry for the purpose of this approval is _____ *Name of the Ministry/Department* _____ and all future correspondence with respect to this Approval Letter may be addressed to:

Name of Office : _____

Office Postal Address : _____

Office Email Address : _____

Office Landline No. : _____

11. The Administrative Ministry/Department is empowered to monitor the compliance of conditions under this Approval Letter and may require Investee to furnish necessary information/documentation in this regard at a given point of time.

12. Any contravention/violation of FDI regulations is covered by the penal provisions of the FEMA and is under the purview of Directorate of Enforcement under the Ministry of Finance and Reserve Bank of India.

13. Acknowledgement of this Approval Letter confirming acceptance of the above terms and conditions shall be communicated to the Administrative Ministry(s)/ Department(s) as mentioned above within 7 days of receipt of this letter.

Yours faithfully

(Name, Designation and Official Contact Details of the Officer)

SEAL OF THE MINISTRY

Copy for information and necessary action to:

1. Reserve Bank of India
2. FIF Cell, DPIIT
3. FDI Data Cell, DPIIT
4. MHA, MEA and any other Ministry/ Department/ Agency consulted

ANNEXURE - IV

FORMAT FOR CORRIGENDUM TO APPROVAL LETTER

F. No. _____

Government of India

Ministry of _____

Department of _____

<Place of issue>

Dated _____, 20____

To,

<Applicant Address>

Subject: FDI Proposal No. ____ in the case of _____ - reg.

Sir/Madam,

The undersigned is directed refer to approval letter No. _____ dated _____ issued in respect of FDI Proposal No. _____ of _____ and the subsequent request of the applicant dated _____ for rectification of typographic or grammatical mistakes as apparent from record and to state the following:

- a. Para ____ of approval letter dated _____ which states
“ _____ ” may be read as “ _____ ”
- b.
- c.

2. All other terms and conditions of the original approval letter dated _____ remain unchanged.

Yours faithfully

[Name, Designation and Official Contact Details of the Officer]

SEAL OF THE MINISTRY

Copy for information and necessary action to:

1. Reserve Bank of India
2. FIF Cell, DPIIT
3. FDI Data Cell, DPIIT
4. MHA, MEA and any other Ministry/ Department/ Agency consulted.

TIME LIMITS

S. No.	Action Points	Time Period	Cumulative Time Period
(i)	Dissemination of proposal by DPIIT to the concerned Ministries/Departments, RBI, MHA and MEA	2 days	
(ii)	Initial scrutiny of the proposal and documents attached therewith, and seeking relevant additional information/ documents from the applicant	12 days	2 Weeks
(iii)	Time limit for submission of clarification by DPIIT on specific issues of FDI Policy	2 Weeks	4 Weeks
(iv)	Time limit for submission of comments by MHA, MEA and any other consulted Ministry/Department / RBI/ Regulator / Stakeholder	6 Weeks	8 Weeks
(v)	Time limit for approval on proposals by Competent Authority for grant of approval	4 Weeks	12 Weeks

Note:

- (i) Additional time of two (02) weeks shall be given to DPIIT for consideration of those proposals which are proposed for rejection or where additional conditions are proposed to be imposed by the Competent Authority.

- (ii) Time-limits allocated shall exclude time taken by applicants in removing deficiencies in the proposals or in supplying additional information, as may be required by the Competent Authority.
- (iii) Time-limits for **investments from Countries Sharing Land Border with India (LBCs)** in specified sectors/activities are prescribed under Annexure - VII.

[SHOULD BE ON A Rs.100/- STAMP PAPER]

FDI PROPOSAL No. _____ OF _____

In the application of:

[Name of Investor Entity(ies)/Person(s)] and

[Name of Investee Entity(ies)/Person(s)]

Affidavit

Affidavit of Shri [Name of applicant], working at [Details of investee /investor organisation], residing at [Residential Address].

I, [Name of applicant], working at [Details of investee /investor organisation], residing at [Residential Address], do hereby solemnly affirm and state as under:

1. That I am working as [Designation] with the [Applicant], and residing at [Residential Address] and am conversant with the facts of the present application and therefore competent to swear this Affidavit.
2. That the accompanying application has been prepared by our authorized representative(s) upon instructions from us and the contents therein are true, correct and complete to the best of my knowledge based on the official records of the Applicant Entity/Person as well as Investor /Investee Entity(ies) or Person(s). The legal submissions contained therein are true upon information received and believed by me to be true.

3. I understand that this application will be considered solely on the basis of the documents uploaded at the time of submitting the online application.
4. That the accompanying application has been prepared in compliance with all the guidelines and instructions issued by the Government from time to time.

(Signature)
DEPONENT

VERIFICATION

Verified at [place] on [date of submitting application] day of [Month], [Year] that the contents of the above Affidavit are true and correct to the best of my knowledge based on the official records of the Applicant Entity/Person as well as the Investor/Investee Entity(ies) or person(s). No part of it is false and nothing material has been concealed there from.

(Signature)

DEPONENT

Guidelines on Investments from Countries Sharing Land Border with India (LBCs)

I. Reporting guidelines for investments eligible as per Para 3.1.1(d) of the FDI Policy

1. The reporting requirements under Para 3.1.1(d) of the FDI Policy shall apply to transactions or investments into India from an investor entity having any direct or indirect ownership by citizen(s) or entity(ies) from LBC, where the cumulative ownership from an LBC at the investor level, is below the applicable threshold and satisfies the criteria stipulated under Section 2(fa) of the Prevention of Money Laundering Act, 2002 and Rule 9(3) of Prevention of Money-laundering (Maintenance of Records) Rules, 2005, and does not require prior government approval.
2. These guidelines are in addition to the existing reporting requirements under the Foreign Exchange Management Act, 1999 (FEMA) and applicable laws and do not replace, supersede or override the same.
3. The reporting under these guidelines will be governed under the Foreign Exchange Management (Mode of Payment and Reporting of Non-debt Instruments) Regulations, 2019 and the information will be accessible by the Reserve Bank of India (RBI). Accordingly, investments/transactions will continue to comply with the reporting and other conditions stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-debt Instruments) Regulations, 2019 and applicable laws.

4. The onus of reporting shall be on the Indian Investee entity or resident Indian transferor/transferee, as the case may be.
5. The reporting entity shall submit the information/documents in the format prescribed under **Schedule I** to the Department for Promotion of Industry & Internal Trade (DPIIT). The filled-in Form shall be submitted on the Portal. No physical copy is required for submission.
6. The reporting is to be made prior to the inward remittance of foreign capital. In cases which do not involve foreign capital inward remittances, the reporting is to be made prior to execution of the relevant transactions, including issuance/transfer of capital instruments, as the case may be.

II. Procedural guidelines for LBC investments in specified sectors/activities

7. In the cases of applications seeking Government approval under Para 3.1.1 of the FDI Policy for investments into India from LBC investor(s),
 - (a) investing individually or cumulatively, whether acting together or otherwise, and holding up to 49% of the capital or voting rights of an Indian Investee entity engaged in the sectors/activities specified under **Schedule II**, and
 - (b) where the majority shareholding and control of the Investee entity is with resident Indian citizen(s) and/or resident Indian entity(ies) owned and controlled by resident Indian citizen(s), at all times,the decision shall be conveyed by the Administrative Ministry/Department to the applicant within a period of 60 days from the date of filing of the application.

SCHEDULE I

Sl. No.	Information Disclosure
1.	Investor(s) (i) Incorporation details (Certificate of Incorporation/Charter Documents) (ii) Registered Office address (iii) Business activity/sector (iv) Shareholding pattern along with place of incorporation/citizenship of respective shareholders. In case of shareholding by juridical persons (non-individuals) in the Investor entity, details of such beneficial owner(s) [refer Rule 9(3) of PML (Maintenance of Record) Rules, 2005] of the non-individual shareholder(s) who are LBC citizens, if any. In case of listed companies, latest shareholding pattern as per the stock exchange, shall be submitted. (v) Beneficial Owner(s) of the investor entity(ies) [refer Rule 9(3) of PML (Maintenance of Record) Rules, 2005]. (vi) In case of funds, details of Investment Managers, Sponsors, General Partners/Investment Committee members along with place of incorporation/citizenship shall be submitted. (vii) Organization and Group structure indicating inter-se ownership and control pattern by an LBC citizen or an entity incorporated /registered/listed in an LBC or an entity whose beneficial owner [refer Rule 9(3) of PML (Maintenance of Record) Rules, 2005] is an LBC citizen, if any.

Sl. No.	Information Disclosure
	(viii) Promoters, Board composition and Key Managerial Personnel along with corresponding citizenship status. (ix) Details of control rights including right to appoint directors/veto rights/voting rights (if any) over the Investor entity already vested or proposed to be vested with any LBC citizen or an entity incorporated/registered/listed in an LBC.
2.	Indian Investee entity (i) Incorporation details (Certificate of Incorporation/Articles of Association/Memorandum of Association). (ii) Registered Office address. (iii) Business activity/sector along with NIC code. (iv) Shareholding pattern along with place of incorporation/citizenship of respective shareholders. In case of shareholding by juridical persons (non-individuals) in the Investee, details of such beneficial owner(s) [refer Rule 9(3) of PML (Maintenance of Record) Rules, 2005] of the non-individual shareholder(s) who are LBC citizens, if any. In case of listed companies, latest shareholding pattern as per the stock exchange, shall be submitted. (v) Organization and Group structure indicating inter-se ownership and control pattern by an LBC citizen or an entity incorporated/registered/listed in an LBC or an entity whose beneficial owner [refer Rule 9(3) of PML (Maintenance of Record) Rules, 2005] is an LBC citizen, if any. (vi) Promoters, Board composition and Key Managerial Personnel along with corresponding citizenship status.

Sl. No.	Information Disclosure
	(vii) Beneficial owner(s) as per Rule 9(3) of PML (Maintenance of Record) Rules, 2005. (viii) Significant Beneficial Owner as per the Companies Act, 2013. (ix) Existing or proposed shareholding by an LBC citizen/entity or an entity whose beneficial owner [refer Rule 9(3) of PML (Maintenance of Record) Rules, 2005] is an LBC citizen, if any. (x) Foreign/technology collaboration with LBC citizen/entity, if any. (xi) Existing and Post investment/transaction aggregate foreign shareholding in the Investee. (xii) Existing and Post investment/transaction shareholding by LBC citizen/entity or an entity whose beneficial owner [refer Rule 9(3) of PML (Maintenance of Record) Rules, 2005] is an LBC citizen, in the Investee. (xiii) Project/Business location.
3.	Others: (i) Proposed FDI (in INR) as per prevailing exchange rate. (ii) Details of existing and proposed downstream investments of the Investee along with sector/activity of the downstream entity. (iii) Copy of Investment Agreement/Shareholders' Agreement/Share Transfer Agreement/JV Agreement/ Term sheet/MoU, if available.
4.	Declaration/Undertaking by reporting entity:

Sl. No.	Information Disclosure
	I/We hereby declare that I/we have verified the information provided in this form and certify that the information provided above is true, complete and correct. These declarations and submissions are made under the Foreign Exchange Management Act, 1999. I/We also acknowledge that if any information furnished herein is found to be false, incorrect or misleading, the same shall be construed as contravention of FEMA, 1999 and other applicable laws. I/We understand that the information/documents provided herein may be used for compilation, compliance checks and review. Authorized signatory(ies): Date:

SCHEDULE II

LIST OF SECTORS/ ACTIVITIES

The following sectors/activities shall be eligible for expedited approval as per Para II, Annexure - VII of SOP:

Sl. No.	Name of Sector/Activity
1.	Capital Goods Manufacturing (i) Heavy Electrical Industries- Manufacturing of insulation items required in thermal/ hydro/ nuclear Power Plants. (ii) Heavy Electrical Industries - Manufacturing of castings & forgings required in thermal /hydro/nuclear power plants (iii) Heavy Electrical Industries - Manufacturing of Alloy Steel Seamless Pipes and Tubes required to manufacture Boilers (iv) Heavy Electrical Industries - Investment for manufacturing 800 kV & 400 kV RIP bushings. (v) Heavy Electrical Industries - Manufacturing of Pressboard /Insulation for transformers. (vi) Machine Tools (Metal Forming) - Manufacture of metal-forming machinery and machine tools. (Includes manufacture of machinery for turning, drilling, milling, shaping, grinding, forging, stamping/pressing, wire working, electroplating, and parts and accessories for such machinery).
2.	Electronic Capital Good and Electronic Component Manufacturing (i) PCBA Assembly - Manufacture of bare printed circuit boards, loading of components onto printed circuit boards; manufacture of interface cards (e.g. sound, video, controllers, network, modems)

Sl. No.	Name of Sector/Activity
	(ii) Display Module - Manufacture of display components (plasma, polymer, LCD, LED) (iii) Camera Module – a. Manufacture of other electronic components n.e.c.; b. Manufacture of other electronic consumer goods n.e.c. (this includes non-television video camera); c. Manufacture of optical instruments and equipment (iv) Power Module - This class includes the manufacture of optical instruments and lens (except ophthalmic) such binoculars, microscopes, prisms, film and digital cameras etc. (v) Sensor Module - Manufacture of other electronic components n.e.c. (vi) Passive Components (Such as: Resister, Capacitor, Inductor, Ferrite, Ceramic, Magnet etc.)- Manufacture of electronic capacitors, resistors, chokes, coils, transformers (electronic) and similar components (vii) Electromechanical Components (Such as: Speakers & Microphones for ICT products, Connectors, Heat Sinks, Antenna, Vibrator Motors, Oscillators (including crystal), Filters, Electromechanical Sensors/ Transducers/ Actuators etc.) - Manufacture of other electronic components n.e.c. a. Connectors - Manufacture of printer cables, monitor cables, USB cables, connectors etc b. Speakers & Microphones - Manufacture of stereo equipment, speaker systems, amplifiers for musical instruments and public address systems, microphones, karaoke machines, headphones (e.g. radio, stereo, computer) c. Antennas - Manufacture of cable television equipment, transmitting and receiving antenna including dish, VSAT

Sl. No.	Name of Sector/Activity
	(viii) Li-ion Batteries and cell - Manufacture of primary cells and primary batteries and rechargeable batteries, cells containing manganese oxide, mercuric oxide silver oxide or other material (ix) Mechanics - Manufacture of other fabricated metal products n.e.c. (x) PCBs - Manufacture of bare printed circuit boards, loading of components onto printed circuit boards; manufacture of interface cards (e.g. sound, video, controllers, network, modems) (xi) Charger- Manufacture of other electronic components n.e.c. (xii) Cable - Manufacture of printer cables, monitor cables, USB cables, connectors etc (xiii) Wearable - Manufacture of watches and clocks, including instrument panel clocks (applicable to smart watches/wearables) (xiv) Hearable - Manufacture of stereo equipment, speaker systems... microphones... headphones (e.g. radio, stereo, computer) (xv) Printer - Manufacture of printers, scanners, including bar code scanners, smart card readers, virtual reality helmets, computer projectors (xvi) Scanner - Manufacture of printers, scanners, including bar code scanners, smart card readers, virtual reality helmets, computer projectors
3.	Polysilicon (and Ingot-) Wafers (i) Manufacturing of Polysilicon (ii) Manufacturing of Ingots or Wafers or (Ingots & Wafers)
4.	Advanced Battery Components (i) Manufacture of batteries and accumulators a. Manufacture of primary cells and batteries b. Manufacture of secondary cells and batteries

Sl. No.	Name of Sector/Activity
	c. Manufacture of Energy Storage Systems (BESS)/Containerised BESS/ Battery pack d. Manufacture of other batteries and accumulators (ii) ACC Component Manufacturing (Cathode Active Materials (CAM)) - Manufacturing of cathode active materials such as LFP, NMC, LMFP, and NCA used in lithium-ion battery cells including establishment of plant and machinery. (iii) ACC Component Manufacturing (Anode Active Materials (AAM)) - Manufacturing of synthetic graphite, natural graphite processing, silicon-based anodes, and hard carbon for sodiumion batteries including establishment of plant and machinery. (iv) ACC Component Manufacturing (Electrolyte) - Manufacturing of electrolyte salts, solvents, additives, and final electrolyte formulations for battery cells including establishment of plant and machinery. (v) ACC Component Manufacturing (Separators) - Manufacturing of separator films, including ceramic coated separators for lithium-ion cells including establishment of plant and machinery. (vi) ACC Component Manufacturing (Battery-grade Copper Foil) - Manufacturing of ultrathin high purity copper foil used as an anode current collector including establishment of plant and machinery. (vii) ACC Component Manufacturing (Battery-grade Aluminum Foil) - Manufacturing of high purity aluminium foil used as a cathode current collector including establishment of plant and machinery. (viii) ACC Component Manufacturing (Conductive Additives and Advanced Carbon Materials) - Manufacturing of Carbon black, CNTS, conductive additives, and specialty carbon materials.

Sl. No.	Name of Sector/Activity
	(ix) ACC Component Manufacturing (Binder Materials) - Manufacturing of PVDF binders and specialty binders used in electrode slurry preparation and coating including establishment of plant and machinery. (x) ACC Component Manufacturing (Sodium-ion and Zinc-based Battery Components) - Manufacturing of Components required for emerging battery technologies, including sodium ion and zinc based batteries including establishment of plant and machinery.
5.	Rare Earth Permanent Magnets (i) Rare Earth metal, alloy and magnet making facility including technology and plant and machinery. (ii) Use of Permanent Magnets in Wind Turbines - Permanent Magnet Synchronous Generators (PMSGs) for Wind Turbine Generators
6.	Rare Earth Processing