

F.No. 4(31)/2009/D(DIP)-Vol.III
Government of India
Ministry of Defence
Department of Defence Production
D(DIP)

Room No. 8, 'H' Block
New Delhi, dated the August 11, 2017

**Sub : Guidelines for examination of Foreign Investment Proposals received under
Defence Sector – Regarding –**

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The Union Cabinet in its meeting held on 24/05/2017 granted approval for phasing-out of Foreign Investment Promotion Board and mandated respective Administrative Ministries as Competent Authority for processing FDI applications requiring Government approval. It, further, provided that the Department of Industrial Policy & Promotion (DIPP) shall formulate Standard Operating Procedure (SOP) for processing FDI Proposals by the Administrative Ministries. Based on the SOP prepared by DIPP vide No. 1/8/2016-FC.I dated June 29, 2017 [available at DIPP's website], the Department of Defence Production (DDP)/MoD, being the Administrative Ministry for Defence Industry Sector, shall process the applications as per the internal guidelines prepared as follows :-

- (i) After the receipt of proposals from DIPP on-line for the cases where the proposals are digitally signed by the Applicant, D(DIP) Section will scrutinize the proposals with reference to any deficiency in documentation or seek clarifications, if required from the applicant on initial examination, within a week's time. In case, the application is found to be in order, then D(DIP) Section shall forward the applications to the internal organizations i.e., DRDO, Service HQRS. [Army, Navy & Air Force] and D/Defence. For this purpose, the Members shall be required to intimate details of the Nodal Officers including name, rank, office address, telefax, E-Mail ID etc. for forwarding of the applications, both on-line & off-line;

- (ii) Since the said SOP stipulates a stringent time-limit, therefore, the internal Members [as mentioned at Point (i) above] should adhere to the time-line and furnish their comments, within 02 weeks, with respect to the provisions of extant FDI Policy applicable in defence

16/8/17
JS (DIP) - in ^{sector} unit
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