

Government of India
Ministry of Communications & IT
Department of Telecommunications
(Carrier Services Division)
707, Sanchar Bhavan, Ashok Road, New Delhi-110001.

No.311-80/2012-CS-I

6th Dec, 2013

To

All the PMRTS Licensee Company.

Subject: Amendment of PMRTS Licence Agreement, regarding Foreign Direct Investment (FDI).

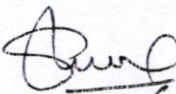
In pursuance of Clause 4.1, the LICENSOR hereby amends the following in the PMRTS Licence Agreement. This amendment is effective with immediate effect.

Existing affected clauses of PMRTS License	Amended Clause
<p>1. OWNERSHIP OF THE LICENCEE COMPANY</p> <p>1.1 The Foreign Direct Investment (FDI) limit is enhanced from 49 to 74 per cent in Public Mobile Radio Trunking Service (PMRTS) with following conditions:-</p> <p>(i) Both direct and indirect foreign investment in the licensee company shall be counted for the purpose of FDI ceiling. Foreign Investment shall include 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 entity. Indirect foreign investment shall mean foreign investment in the company/companies holding shares of the licensee company and their holding company/companies or legal entity (such as mutual funds, trusts) on proportionate basis. Shares of the licensee company held by Indian public sector banks and Indian public sector financial institutions will be treated as 'Indian holding'. In any case, the 'Indian' shareholding will not be less than 26 percent.</p>	<p>1. OWNERSHIP OF THE LICENCEE COMPANY</p> <p>1.1 FDI upto 100% with 49% under automatic route and beyond 49% through FIPB route subject to observance of licensing and security conditions by licensee as well as investors as notified by the DoT from time to time.</p> <p>(i) Both direct and indirect foreign investment in the Licensee Company shall be counted for the purpose of calculating FDI.</p>

<p>(ii) FDI up to 49 per cent will continue to be on the automatic route. FDI in the licensee company/Indian promoters/investment companies including their holding companies, shall require approval of the Foreign Investment Promotion Board (FIPB) if it has a bearing on the overall ceiling of 74 per cent. While approving the investment proposals, FIPB shall take note that investment is not coming from countries of concern and/or unfriendly entities.</p>	<p>(ii) The licensee Company/ Indian Promoters/ Investment Companies including their holding companies shall comply relevant provisions of extant FDI policy of the Government and such modification to the policy as may be issued from time to time. While approving the investment proposals, FIPB may take into account security concerns.</p>
<p>1.2 The conditions at para 1.1 above shall also be applicable to the existing companies operating telecom service(s) with the FDI cap of 49%.</p>	<p>1.2-Deleted</p>
<p>1.3 The Licensee shall declare the Indian and Foreign equity Holding (direct and in-direct) in the LICENSEE company and submit an unconditional compliance to the FDI norms and security conditions on 1st day of January and 1st day of July on six monthly basis to the LICENSOR. This is to be certified by the LICENSEE Company's Company Secretary or Statutory Auditor.</p>	<p>1.3 The LICENSEE shall declare compliance to licence security condition and Indian equity and Foreign equity as on 1st January and 1st July by 7th January and 7th July respectively to LICENSOR. This is to be certified by the LICENSEE company's Company Secretary or statutory auditor.</p>
<p>37.11(xi) The Remote Access (RA) to Network would be provided only to approved location(s) abroad through approved locations(s) in India. The approval for location(s) would be given by the Licensor (DOT) in consultation with the Security Agencies (IB).</p>	<p>37.11(xi) The Remote Access (RA) to Network would be provided only to approved location(s) abroad through approved locations(s) in India. The approval for location(s) would be given by the Licensor (DOT) after satisfying itself about the appropriateness.</p>
<p>37.11(xvii) The telecom service providers should familiarize/train Vigilance Technical Monitoring (VTM)/security agency officers/officials in respect of relevant operations features of their systems.</p>	<p>37.11(xvii) The telecom service providers should familiarize/train Telecom Enforcement, Resource & Monitoring (TERM)/security agency officers/officials in respect of relevant operations features of their systems.</p>

2. All other terms and conditions of the PMRTS Licence Agreement, including amendments and instructions issued from time to time shall remain unchanged.

3. Please acknowledge receipt.


6/12/2013

Subhash Sharma), ADG (CS-I)

For and on behalf of the President of India

Ph.No.23036489

Copy To:

1. Secretary, TRAI

2. Director (IT) may kindly arrange to upload this letter on the website of DoT.