

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

No. 10-54/2010-CS-III (Vol.II)

Dated: Dec 16th, 2013

To
All the NLD Licensees Company.

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

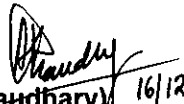
In pursuance of Clause 12, The LICENSOR hereby amends the following in the NLD Licence Agreement. This amendment is effective with immediate effect.

Existing affected clauses of NLD	After Amendment
<p>1. OWNERSHIP OF THE LICENCEE COMPANY 1.1 The licensee shall ensure that the total foreign equity in the paid up capital of the licensee company does not, at any time during the entire licence period, exceed 74% of the total equity subject to the following FDI norms: (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 holdings". In any case, the 'Indian' shareholding will not be less than 26 percent.</p>	<p>1. OWNERSHIP OF THE LICENCEE COMPANY 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. (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 percent 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 Foreign Investment Promotion Board (FIPB) if it has a bearing on the overall ceiling of 74 percent. While approving the investment proposals, FIPB shall 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. While approving the investment proposals, FIPB may take into account security concerns.</p>

<p>1.2 The Indian & Foreign equity holdings in the LICENSEE company as disclosed by the LICENSEE company on the date of signing of the LICENCE AGREEMENT, are as follows: TOTAL INDIAN EQUITY..... TOTAL FOREIGN EQUITY..... The LICENSEE shall declare the Indian & Foreign equity holdings (both direct and indirect) 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. The compliance report should be certified by the Company Secretary or the Statutory Auditor of the LICENSEE Company.</p>	<p>1.2. The LICENSEE shall declare compliance to licence and 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>Security Conditions: 23.9(xi) The Remote Access (RA) to Network would be provided only to approved location(s) abroad through approved location(s) in India. The approval for location(s) would be given by the Licensor (DOT) in consultation with the Security Agencies(IB).</p>	<p>Security Conditions: 23.9(xi) The Remote Access (RA) to Network would be provided only to approved location(s) abroad through approved location(s) in India. The approval for location(s) would be given by the Licensor (DOT) after satisfying itself about the appropriateness.</p>
<p>(xvii) The telecom service providers should familiarize/train Vigilance Technical Monitoring(VTM)/security agency officers/officials in respect of relevant operation /features of their systems.</p>	<p>(xvii) The telecom service providers should familiarize/train Telecom Enforcement, Resource and Monitoring (TERM)/security agency officers/officials in respect of relevant operations/features of their systems.</p>

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

3. Please acknowledge receipt.


(A.K. Chaudhary) 16/12/13
Director (CS-III)
For and on behalf of the President of India
Ph.No.23722444

Copy To:

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