

TS 1

(Paragraphs 10 B.8, 10 C.25(ii) and 11 A.8)

Application for permission under Section 19(5) of the Foreign Exchange Regulation Act, 1973 for Transfer of shares of a company registered in India by a non-resident to a person resident in India

Instructions :

1. *The application should be completed **in duplicate** and submitted to the concerned regional office of the Reserve Bank under whose jurisdiction the Head/Registered Office of the company, whose shares are to be transferred, is situated if the transferor is a foreign company/foreign national resident outside India.*
2. The application may be signed either by the transferor or the transferee *attaching therewith consent in writing of the other party or a copy of the sale/purchase agreement.*

Documentation :

1. **Photocopies of Reserve Bank's approval/(s) for acquiring and holding shares by the transferor, if specific approval was granted by Reserve Bank for holding/acquisition of shares.**
2. **In case the shares proposed to be transferred are listed on a Stock Exchange, a certificate from a Chartered Accountant certifying the average quotation (average of daily high and low) for one week preceding the date of application.**
3. **In case of unlisted/thinly traded shares, valuation of the shares on basis of any valuation methodology in vogue, if the total consideration is upto Rs.20 lakhs.**
4. **In case of unlisted/thinly traded shares where the total consideration exceeds Rs.20 lakhs, two valuation certificates for the shares of the company, one from the statutory auditors of the company and the other from an independent Chartered Accountant/SEBI registered Category-I Merchant Banker.**

or

Documentary evidence showing Price Earnings (PE) and Book Value (BV) multiples of Bombay Stock Exchange National Index (BSEN) for the calendar month immediately preceding the date of application and a certificate showing the Earnings Per Share (EPS) and Net Asset Value (NAV) of the shares of the company as per the latest audited Balance Sheet.

1. Particulars of the transferor :

A. If the transferor is a corporate body

- (i) Name and address
- (ii) Place of incorporation
- (iii) Total shareholding in the investee company and the manner in which the shares were acquired, i.e. whether by way of remittance from abroad or against supply of plant and machinery or otherwise.
- (iv) Particulars of Reserve Bank approval/s for acquiring and holding shares.
- (v) Number and face value of the shares proposed to be sold/transferred.

B. If the transferor is an individual -

- (i) Full name and address
- (ii) Nationality
- (iii) Whether he/she was ever resident in India. If so, when did he/she leave India and for what purpose?
- (iv) Number of shares held in the Indian company
- (v) Reserve Bank's approval number/s and date(s) (if any) for acquiring/holding the shares
- (vi) Whether any undertaking has been given to the Government/Reserve Bank as to the non-repatriation of capital and/or dividend

(vii) Number and face value of shares proposed to be sold/ transferred				
(viii) Folio Number				
2. Particulars of the Indian company whose shares are to be sold/transferred				
(i) Name and address				
(ii) Place of incorporation				
(iii) Brief particulars of the business activity/ies				
(iv) Total paid-up capital	No. of shares		Amount	
(a) Equity				
(b) Preference				
(c) Held by				
(i) Non-resident :				
	Equity		Preference	
	No. of shares	Percentage to total paid-up equity shares	No. of shares	Percentage to total paid-up preference shares
(a) Foreign nationals/ corporate bodies [other than included in (b) below]				
(b) NRIs/Overseas corporate bodies predominantly owned by NRIs.				

<p>(ii) Resident:</p> <p>(a) Indian promoters</p> <p>(b) Public Financial Institutions/ Banks/Insurance Companies</p> <p>(c) Others</p> <p style="text-align: right;">Total</p>	
<p>3. Particulars of the buyer/transferee:</p> <p>(i) Name and address</p> <p>(ii) Nationality/place of incorporation, as the case may be</p>	
<p>4. Whether the shares are quoted on a recognised Stock Exchange?</p> <p>(i) If the shares are quoted on the Stock Exchange, whether the sale is proposed to be effected on the floor of the Stock Exchange to the general public at the prevailing market price?</p> <p>(ii) If the sale (of the quoted share) is by way of private arrangement, please furnish the following:</p> <p>a. the average of quotations (average of daily high and low) for one week preceding the date of application duly certified by a Chartered Accountant. [Item 2 under Documentation]</p> <p>b. the proposed sale price</p>	<p style="text-align: right;">Yes/No</p> <p style="text-align: right;">Yes/No</p>
<p>5. If the sale/transfer is of non-listed as well as of listed but not regularly traded shares, the proposed sale price [to be supported by a Chartered Accountant's certificate as indicated in Item 4 under Documentation].</p>	

6. Whether the transferor/transferee requires any permission under the Companies Act/MRTP Act. If so, whether such permission has been received from the appropriate authority.	
7. Reason for the proposed sale/ transfer of shares	
8. Any other information which the applicant wishes to furnish in support of this application.	

I/We declare that the particulars given above are true and correct to the best of my/our knowledge and belief.

Place:.....

Date ::.....

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*(Stamp and signature of the transferor/
transferee as the case may be)*