

FNC 2

[Paragraph 11 A.2(i) and 11 A.6]

Application for permission under Section 29(1)(a) or 29(1A) of Foreign Exchange Regulation Act, 1973 to undertake in India an activity of a trading, commercial or industrial nature or to establish in India a branch/office or other place of business for carrying on such activity

Instructions:

- 1. The application should be completed in duplicate and submitted to the Chief General Manager, Exchange Control Department (Foreign Investment Division), Reserve Bank of India, Central Office, Mumbai - 400 001.*
- 2. A composite application should be submitted for all the items of manufacture/activities to be undertaken by the applicant.*
- 3. It may be noted that for the purpose of Sections 29 of Foreign Exchange Regulation Act, 1973, the term 'Company' means any body corporate and includes a firm or other association of individuals.*

Documentation:

Please submit certified copies of the following documents as applicable:

- 4. Audited Balance Sheet and Profit and Loss Account statements of the applicant for the preceding three years, if the company has been functioning in India.**
- 5. Industrial Licence/Registration Certificate from Director General of Technical Development (D.G.T.D.) for the proposed activity.**
- 6. Government/Reserve Bank approval for foreign collaboration agreement, if the proposed activity is to be undertaken under any foreign collaboration arrangement.**

1. (a) Full name and address of the applicant company	(a)					
(b) Place of incorporation	(b)					
2. Details of capital and non-resident interest						
(A) Authorised capital						
(a) Equity	(a) Rs.....divided into.....shares of Rs.....each					
(b) Preference	(b) Rs.....divided into.....shares of Rs.....each					
(B) Paid-up capital						
(a) Equity	(a) Rs.....divided into.....shares of Rseach					
(b) Preference	(b) Rs.....divided into.....shares of Rs.....each					
(c) Held by						
	Equity			Preference		
	No. of shares	Face Value	%	No. of shares	Face Value	%
(i) Non-resident						
(a) Corporate Bodies						
(i) Firms, companies and institutions/ bodies other than those included in (ii) below						
(ii) Firms. companies and other bodies directly or indirectly owned to the extent of atleast 60% by non-residents of Indian nationality/ origin						
(a) with repatriation benefits						
(b) without repatriation benefits						

<p>(b) Individuals</p> <p>(i) Indian nationals and persons of Indian origin</p> <p>(a) with repatriation benefits</p> <p>(b) without repatriation benefits</p> <p>(ii) Others</p> <p>(ii) Resident</p> <p>(a) Firms, companies and other institutions/bodies</p> <p>(b) Individuals</p> <p>(i) Indian nationals</p> <p>(ii) Other than Indian nationals</p> <p>Total :</p>		
<p>3. Particulars of the existing trading/commercial/industrial activity/ies.</p> <p>(A) Trading :</p> <p>(i) Brief description of the activity/ies</p> <p>(ii) Type/s of products/goods covered</p> <p>(B) Commercial :</p> <p>Brief description of the activity/ies</p> <p>(C) Industrial/Manufacturing :</p> <p>(a) Items of manufacture</p> <p>(b) Particulars of production and turnover</p> <p>(D) No./s and date/s of Reserve Bank's approval/s obtained under Section 28 & 29 of FERA 1973 for carrying on the activities referred to under items (A), (B) & (C) above.</p>	<p>(A)</p> <p>(i)</p> <p>(ii)</p> <p>(B)</p> <p>(C)</p> <p>(a)</p> <p>(b)</p> <p>(D)</p>	

4. Particulars of proposed trading /commercial/industry activity / ies :
 - (a) Full details of the nature of the activity (Please indicate whether the proposed activity is in the nature of setting up of new undertaking/taking up manufacture of new article/substantial expansion or diversification) (a)
 - (b) In case of Industrial activities, please give the following : (b)
 - (i) Items of manufacture (i)
 - (ii) If the items are covered by First Schedule to Industries (D&R) Act, 1951, state the item Number of the Schedule. (ii)
 - (iii) Particulars of Government approval for the new activity, such as number and date of industrial licence/registration with DGTD or other technical authorities. (iii)
 - (iv) Licensed/approved/registered capacity/ies as indicated in the approval/s referred to at (iii) above (iv)
 - (v) Whether the proposed article/s to be manufactured fall/s under Annexure III to the Industrial Policy Statement dated 24th July 1991; if so, item number/s thereof may be indicated. (v)
 - (c) Prospective date of commencement of new activity (c)
 - (d) Phased programme of production (in terms of both quantity and value) in the next three years after the commencement of production. (d)
 - (e) If the activity is proposed to be undertaken under any foreign collaboration agreement, please furnish the following particulars. (e)
 - (i) Nature of collaboration (financial/technical) (i)

(ii) Name of the overseas collaborator	(ii)		
(iii) Number and date of Government approval	(iii)		
(iv) Number and date of Reserve Bank's approval	(iv)		
(v) Terms of payment	(v)		
(i) Lump sum		(i)	
(ii) Recurring payments		(ii)	
(vi) Period of validity	(vi)		
(f) If the applicant proposed to use any foreign trade mark/s on product/s intended for internal sales and/or exports, please state _____	(f)		
(i) Whether trade mark/s will be used as 'registered user' or otherwise (Full particulars may be given)	(i)		
(ii) Whether any payments will be made to the owners of foreign trade mark/s. If so, the amount expected to be remitted in the next three years may be given.	(ii)		
(g) Name/s of the place/s where the activity/ies referred to above will be undertaken or where the branch(es) office(s) etc. will be established for this purpose.	(g)		
(h) Total cost of the project or expansion/diversification programme stating how it will be financed, ie. whether out of internal resources, fresh/additional equity capital, long term borrowings, etc.	(h)		
5. (A) Particulars of expected foreign exchange remittances that may become due during the three years from taking up of new activities.	First year	Second year	Third year
Raw Material			
Spares & components			
Capital goods			
Total :			
Dividend			
Technical know-how fees			

Royalties	
Others(give brief particulars)	
Total :	
(B) Foreign exchange earnings	
(i) Amount of foreign exchange earned during each of the last three years.	(i)
(a) Exports from the applicant's own production	(a)
(b) Export of products manufactured by others	(b)
(c) Foreign exchange earned from other sources (give brief particulars)	(c)
Total :	
(ii) Anticipated foreign exchange earnings after commencement of the new activity during each of the next three years	(ii)
(a) Exports attributable to new manufacturing activity	(a)
(b) Exports attributable to existing manufacturing activity	(b)
(c) Other exports	(c)
(d) Earnings from other sources (give brief particulars)	(d)
Total :	
6. Research & Development facilities set up or proposed to be set up and expenditure involved.	
(a) Existing	(a)
(b) Proposed	(b)
7. (A) Number of the staff and labour employed/proposed to be employed by the applicant	
(i) Staff	(i)
(a) Technical	(a)
(b) Administrative & Accounts	(b)
(ii) Labour	(ii)

(a) Skilled (b) Unskilled (B) Whether any foreign personnel are employed/proposed to be employed. If 'yes', please attach a list giving the names and nationalities of such persons, their designation, period of employment and emoluments.	(a) (b)						
8. Expected activity-wise turnover and its proportion in relation to total expected turnover (in terms of value and percentage) after commencement of the new activity for each of the next three years. (Turnover from existing activity and proposed activity should be given separately).	<table border="1"> <thead> <tr> <th>1st year Turn- % over</th> <th>2nd year Turn- % over</th> <th>3rd year Turn- % over</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	1st year Turn- % over	2nd year Turn- % over	3rd year Turn- % over			
1st year Turn- % over	2nd year Turn- % over	3rd year Turn- % over					
(i) Manufacturing activities covered by Annexure III to the Industrial Policy Statement dated 24th July 1991 (specify the items) (ii) Export-oriented manufacturing activities not included in (i) above (specify the items) (iii) Manufacturing activities not covered by items (i) and (ii) above but which need sophisticated technology (specify the items) (iv) Other manufacturing activities (v) Trading activities (vi) Commercial activities (vii) Miscellaneous (giving brief description)							
9. Any other information which the applicant wished to furnish in support of this application.							

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

Place:.....

Date :.....

Stamp

.....
(Signature of Applicant/Authorised Official)

Name:.....

Designation:.....