

DSS

[Paragraph 10 C.4]

Declaration of shares acquired by non-residents of Indian nationality / origin in an Indian company through subscription to Memorandum and Articles of Association

Instructions:

1. *This declaration is to be made by the Indian company concerned in respect of its shares acquired by non-residents of Indian nationality or origin by way of subscription to its Memorandum and Articles of Association in terms of Reserve Bank's Notification No.FERA.143/93-RB dated 26th April, 1993.*
2. *The declaration should be completed in **duplicate** and submitted within **ninety days** of incorporation of the company to:*
 - (a) *the Chief General Manager, Exchange Control Department (Foreign Investment Division), Reserve Bank of India, Central Office, Mumbai- 400001, if the shares have been issued (or are to be issued) to non-residents with full repatriation benefits under 40% scheme and 100% scheme.*
 - (b) *the concerned office of Reserve Bank within whose jurisdiction the Head/Registered Office of the declarant company is situated in all other cases.*

Documentation:

3. Certified copy of Memorandum and Articles of Association.
4. Undertaking about non-repatriation in the form appended to the declaration from each of the non-resident investors where the shares have been acquired on non-repatriation basis.
5. Certificate/s in original from authorised dealer/s in India in respect of cost of shares acquired by non-residents as under:
 - (a) inward remittance certificate/s for the amount/s remitted by the non-resident investor/s from abroad through normal banking channels and/or,
 - (b) bank certificate/s for the amount/s paid out of funds held in non-resident account/s of the non-resident investor/s (the type of account i.e. NRE,FCNR or NRO account should be stated).

PART A - Particulars of the declarant company							
1.	Name and address						
2.	Place and date of incorporation						
3.	Nature of business activities						
4.	Particulars of authorised capital						
	(i) Equity	(i) Rs.....divided into..... shares of Rs.....each					
	(ii) Preference	(ii) Rs.....divided into..... shares of Rs.....each					
5.	Particulars of subscribed and paid-up capital						
	(i) Equity	(i) Rs.....divided into..... shares of Rs.....each					
	(ii) Preference	(ii) Rs.....divided into..... shares of Rs.....each					
6.	Particulars of shares subscribed by and issued to-	Equity			Preference		
		No.of shares	Face value	%	No.of shares	Face value	%
	(i) Non-residents of Indian nationality/origin	(i)					
	(ii) Residents	(ii)					
	Total						
PART B - Particulars of the non-resident investors							
1.	Name/s and residential address/es						
2.	Nationality/ies						
3.	Number and face value of shares issued to each non-resident investor						
4.	Date/s of issue of shares to non-resident/s						
5.	Manner of payment of consideration for shares -						
	(i) By remittance from abroad	(i)					
	(ii) Out of funds held in Non-resident (External)/FCNR/Ordinary Non-resident account/s with bank/s in India	(ii)					

We hereby declare that:

- (a) the shares, the particulars of which are given above, have been issued to non-residents of Indian nationality/origin for subscribing to the Memorandum and Articles of Association for the purpose of incorporation of the company in India;
- (b) the particulars given above are true and correct to the best of our knowledge and belief; and
- (c) we shall obtain Reserve Bank's prior permission for issuing any further shares to non-residents.

Place:.....



Date :.....

Encls:

.....
(Signature of authorised official)
Name:.....
Designation:.....

UNDERTAKING

In terms of Reserve Bank of India Notification No.FERA.143/93-RB dated 26th April, 1993, I, _____
son/daughter/wife of _____

(Name of father/husband)

residing at _____

and having invested an amount of Rs. _____

(Rupees _____)

in _____ by way of

(name of the company)

subscription to its Memorandum or Articles of Association, do hereby agree and undertake that I will not, at any time, seek repatriation of the capital invested in the said company or of the dividends, profits/income earned thereon. This undertaking will also be binding on my heirs, executors, successors and assignees and they will not be entitled to seek repatriation of any capital invested by me in the said company or any dividends, profits/income earned thereon.

Place:.....

Date :.....

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Signature