

# RSU

[Paragraph 10 C.16(ii)]

## **Application for permission for issue/transfer of shares by a Sick Indian Company to non-residents of Indian nationality/origin (NRIs) and overseas corporate bodies (OCBs) owned to the extent of at least 60 per cent by such persons**

### **Instructions:**

1. *The application should be completed in duplicate and submitted to the Chief General Manager, Exchange Control Department (Foreign Investment Division), NRI Cell, Reserve Bank of India, Central Office, Mumbai - 400 001.*
2. *The application should be made before receiving funds from prospective investors for obtaining Reserve Bank's approval in principle for the proposed issue / transfer of shares.*

### **Documentation:**

3. Please submit certified copies of the following documents as applicable.
  - (i) An up-to-date copy of the Memorandum and Articles of Association.
  - (ii) If in the main or other objects of the Memorandum and Articles of Association any clause authorises the company to undertake real estate business or agricultural / plantation activities, the company should produce an undertaking to the effect that it will not undertake such activities or will get the relevant clause deleted.
  - (iii) Audited Balance Sheet and Profit and Loss Account for the previous three years.
  - (iv) Special Resolution from the existing shareholders of the company for the proposed issue/transfer of shares to NRI/OCBs.
  - (v) Sale deed/agreement for sale (in case of transfer of shares to NRIs/OCBs).
4. Auditor's certificate showing the fair valuation of the shares (in the case of transfer of shares to NRIs/OCBs).
5. A certificate regarding the sickness of the company from a public financial institution or a consortium which is formulating the plan for the company's rehabilitation/ revival or from a bank / public financial institution providing credit facilities to the company indicating the basis on which the company has been classified as a sick unit.

6. In case the proposed investment is to be made by an overseas corporate body a certificate (in original) of a recent date in form OAC/OAC1 from an overseas Auditor/Chartered Accountant/Certified Public Accountant.
7. Any other document considered relevant by the applicant.

**Part A - Particulars of the Applicant Company**

1.	Name and full address						
2.	Place and date of incorporation						
3.	Nature of business activities						
	(a) Existing activities	(a)					
	(b) Proposed activities	(b)					
4.	Existing capital structure						
	(A) Authorised capital						
	Equity	(A) Rs.....divided into..... shares of Rs.....each					
	Preference	Rs.....divided into..... shares of Rs.....each					
	(B) Paid-up capital						
	Equity	(B) Rs.....divided into..... shares of Rs.....each					
	Preference	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						

	(b) Individuals					
	(i) Indian nationals and persons of Indian origin					
	(a) with repatriation benefits					
	(b) without repatriation benefits					
	(ii) Others					
	(ii) Resident					
	(a) Firms, companies and other insitutions/bodies					
	(b) Individuals					
	(i) Indian nationals					
	(ii) Other than Indian nationals					
	Total :					
5.	Details of Reserve Bank approvals for shares already held by non-residents					

**Part B - Particulars of New Issue**

	Total number	Total face value Rs.	To be issued to NRIs/OCBs	
			No.	% to total
6.	Details of the proposed equity issue			
7.	<b>Particulars of non-resident investors</b>			
	(i) Name/s and address/es	(i)		
	(ii) Nationality/ies and country/ies of origin (for individuals)	(ii)		
	(iii) Place/s and date/s of incorporation/registration (for overseas corporate bodies)	(iii)		
	(iv) Number and face value of shares to be issued to each non-resident investor	(iv)		
8.	Manner in which consideration will be received from NRIs/OCBs			
	(i) By remittance from abroad	(i)		
	(ii) Out of funds held in Non-resident (External) Account(s)/ FCNR Account(s) maintained with banks in India	(ii)		

**Part C - Particulars of transfer of shares to NRIs/OCBs**

9.	(a) Name/s and address/es of the non-resident transferee/s	(a)		
	(b) (i) Nationality/ies and country/ies of origin (for individuals)	(b) (i)		
	(ii) Place/s and date/s of incorporation/ registration (for overseas corporate bodies)	(ii)		

10.	Particulars of the equity shares to be transferred (i) Total number (ii) Total face value (iii) Percentage to total issued equity capital of the company	(i) (ii) (iii)
11.	Whether the shares are quoted on a recognised Stock Exchange in India; if so, give the current quotation.	
12.	(a) Name/s and address/es of the seller/s (b) (i) Nationality/ies in case of individuals (ii) Place/s of incorporation in case of company/ies (c) If the sellers are non-residents or foreign citizens resident in India please state Reserve Bank's approval number and date for acquiring/holding the shares.	(a) (b) (i) (ii) (c)
13.	The price or consideration money to be paid.	
14.	Manner in which payment for the shares to be transferred will be made - (i) By remittance from abroad (ii) Out of funds held in Non-resident (External) Account(s)/FCNR Account(s) with banks in India	(i) (ii)
15.	Whether apart from the shares proposed to be acquired (vide item 11 above) the non-resident transferee/s already hold/s any shares in the company; if so, state :  (a) Total number and face value of the shares held (Details of equity and preference shares should be given separately) (b) Percentage to total issued capital (equity and preference to be indicated separately) of the company. (c) The date when the shares were acquired. (d) Number and date of the Reserve Bank's approval obtained for acquiring/holding the shares	(a) (b) (c) (d)
<b>Part D - Other Information</b>		
16.	Whether a public financial institution/consortium is formulating a plan for rehabilitation/revival of the company. If so, give details.	

<p>17. Whether a bank/public financial institution has classified the company as a sick unit. If so, state the basis giving the following details.</p> <p>(a) Losses made by the company during the last three years</p> <p>(b) Market price of company's shares for last two years</p>	<table> <tr> <td>(a) Year</td> <td>Amount of net loss</td> </tr> <tr> <td>(b) Year</td> <td>Highest      Lowest</td> </tr> </table>	(a) Year	Amount of net loss	(b) Year	Highest      Lowest
(a) Year	Amount of net loss				
(b) Year	Highest      Lowest				
<p>18. Any other information which the applicant might consider relevant.</p>					

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

Place: .....

Date: .....



.....  
(Signature of Authorised Official)

Name: .....

Designation: .....