

## Annexure 2

**To be printed on the letterhead of the Investee company)**  
(Registered Office Address to be provided)

Date:

YES Bank Ltd.  
<Branch Address>

Dear Sir,

**Re: Receipt of FCY <insert full amount of remittance> from <Insert investing party name> for purchase of Capital Instruments (Equity/CCPS/CCDS) under the FDI automatic/approval route of investment of the Government of India**

This is to confirm the following against the above receipt of funds:

1. We confirm that the investment is within the sectoral cap / statutory ceiling permissible under the automatic route of RBI and will be subject to pricing guidelines of SEBI / CCI and compliance with applicable tax laws.

We confirm to adhere Press Note 3 (2020 Series) dated April 17, 2020 issued by Dept. of Promotion of Industry and Internal Trade (DPIIT) Ministry of Commerce & Industry -GOI and subsequent Notification under the Foreign Exchange Management Act dated April 22, 2020 ("Notification")

We confirm the below (tick whatever is applicable)

1. We confirm that Non-Resident Entity does not share land border with India.
2. We further confirm that there is no beneficial owner\* in Non-Resident entity which shares land border with India.

**Beneficial Owner:** Any corporate having ownership / entitlement to more than 25% of share or capital or profits or in case of any other entity or individual having ownership / entitlement to more than 15% of share or capital or profits in the Non-Resident Entity.

We further undertake that in the event of transfer of ownership of any future FDI in India, directly or indirectly resulting in the beneficial ownership of this investment being transferred to a Citizen/resident/entity incorporated in the countries sharing land border with India Prior Government approval shall be obtained.

List of countries sharing land border with India as follows: Pakistan, Afghanistan, China (including Hong Kong, Macau) Nepal, Bhutan Bangladesh Myanmar.

2. We declare that the details of issue of **Capital Instruments (Equity /CCPS / CCDS)** would be submitted through SMF platform in form FC-GPR within 30 days of issue of **Capital Instruments (Equity /CCPS/CCDS)** .
3. For partly paid shares / warrants, we confirm that:
  - a. At least 25% of the consideration has been received upfront and balance will be received in 12 months (in case of shares)
  - b. At least 25% of the consideration has been received upfront and balance will be received in 18 months (in case of warrants)
4. For shares / debentures with optionality clauses, we confirm that the lock in period is as per FDI policy and the exit price is not assured / confirmed.

We undertake to issue the **Capital Instruments (Equity /CCPS/CCDS)** to non resident investor namely \_\_\_\_\_ within 60 Days of receipt of this Inward Remittance, capital instruments which are not issued within sixty days from the date of receipt of the consideration the same shall be refunded to the person concerned by outward remittance through banking channels or by credit to his NRE/ FCNR(B) accounts, as the case may be within fifteen days from the date of completion of sixty days.

We hereby confirm that if non resident investor and the remitter is different , we will provide the CPA certificate , Investee Declaration as per Press Note 3 (2020 Series) dated April 17, 2020 issued by Dept. of Promotion of Industry and Internal Trade (DPIIT) Ministry of Commerce & Industry -GOI and subsequent Notification under the Foreign Exchange Management Act dated April 22, 2020 ("Notification")

5. For cases where, the instruments are not issued within 60 days from the date of receipt of the inward remittance / date of debit to the NRE/FCNR (B) account, then we shall approach RBI through the AD for request to be submitted to RBI for extension of time in share allotment on approval basis.
6. We confirm that the non-resident Investor is an eligible investor and *is not* classified as an OCB (Overseas Corporate Body) as per RBI guidelines on Foreign Direct Investment into India and Government policies.
7. We confirm that the line of business is \_\_\_\_\_ and the captioned investment falls under the automatic/approval route as per the Foreign Direct Investment norms as prescribed in the RBI regulations. In case the investment falls under approval route, we shall provide all supporting documents as provided by competent authorities\*.

8. We authorize you to debit our Account No. \_\_\_\_\_ for your charges for processing this remittance and towards all future reporting to RBI in connection with this remittance.
9. Suitable valid reasons for delay if same is not reported within 30 days of receipt of the amount \_\_\_\_\_ in \_\_\_\_\_ consideration \_\_\_\_\_, if applicable
10. We undertake to submit the following documents through SMF platform for allotment by AD bank within prescribed timelines :
- a) *Duly filled form Report by the Indian company receiving amount of consideration for issue of **Capital Instruments under** the FDI Scheme as per **Notification No. FEMA 20(R)/ 2017-RB** , Nov, 07, 2017 as per Para 13.1.*
- b) KYC report of the non-resident investor as per **Annex - 9 (Part I, Section V, para 2)** of the RBI Master Circular on Foreign Direct Investment into India, July 01, 2015 as amended from time to time.
- c) FIRC copy
11. We undertake to file Annual return for Foreign Assets and Liabilities to the Director, Balance of Payment Statistics Division, Department of Statistics and Information Management, Reserve Bank of India, C-9, 8th floor, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051, **on or before the 15<sup>th</sup> day of July of each year.**
12. We confirm that FDI is not under Prohibited list of RBI.
13. We shall comply with all other relevant guidelines as specified by regulatory bodies like DIPP, SEBI, related ministry etc; and provide all related approvals / supporting documents as applicable.

FEMA DECLARATION - CUM - UNDERTAKING

(Under Section 10 (5), Chapter III of The Foreign Exchange Management Act, 1999)

I/We hereby declare that the transaction the details of which are specifically mentioned in this request letter does not involve, and is not designed for the purpose of any contravention or evasion of the provisions of the aforesaid Act or of any rules, regulation, notification, direction or order made there under. I /We also hereby agree and undertake to give such information/documents as will reasonably satisfy you about this transaction in terms of the above declaration. I/We also understand that if I/We refuse to comply with any such requirement or make only unsatisfactory compliance therewith, the bank shall refuse in writing to undertake the transaction and

shall if it has reason to believe that any contravention/evasion is contemplated by me/us report the matter to Reserve Bank of India.. I/We further declare that the undersigned has/have the authority to give this declaration and undertaking on behalf of the company.

The above declared details are true and correct, any contravention or evasion on the above provision which we take the responsibility and the same will be reported to RBI immediately

We confirm that the below mentioned authority is authorized to sign the documents submitted to bank in relation to this investment in equity/debentures.

Yours truly

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(Authorized Signatory(s))

Name of Authorized signatory(s)

Designation

Stamp/Seal of the Company

Registered Office Address of the Company.

*\*Competent Authorities include DIPP, concerned administrative ministries/departments, sector specific authorities, etc.*