

FORM NO. 7D

(See rule 5B)

Form of application for approval of the Central Government for acquisition of shares

1. Name and address of the applicant.
2. Names of directors of the applicant: of the applicant is a company, give details of other directorships, partnerships and proprietorship held by them.
3. Proposal for which the approval of Central Government is sought under section 108A(1) of the Act.
4. Name and address of Registered Office of the company whose shares are proposed to be acquired.
5. Whether the applicant is the dominant undertaking under section 2(d) of the Monopolies and Restrictive Trade Practices Act.
6. Whether the applicant is the owner in relation to a dominant undertaking or would be, as a result of such acquisition of share, the owner of a dominant undertaking, as defined in section 2(d) of the Monopolies and Restrictive Trade Practices Act, 1969. If so, the particulars thereof.
7. Whether the company whose shares are proposed to be acquired is dominant undertaking.
8. Name of the directors of the company whose shares are to be acquired.
9. Details of the proposed investment _____
 - (i) Number and nominal value of shares proposed to be acquired.
 - (ii) Whether the proposed shares are to be acquired as a result of any transfer or as a result of fresh issue by the company.
 - (iii) Whether the shares are to be beneficially held by the applicant.
 - (iv) Rate at which the shares are to be acquired and full justification for the same
 - (v) Amount to be invested.
 - (vi) Whether the shares are quoted in any stock exchange. If so. The price at which shares are quoted, date of quotation and name of stocked exchange.
 - (vii) Form of payment.
 - (viii) Break-up value of shares as per Annexure I.
 - (ix) Value of share based on yield in accordance with the method of calculations shown in Annexre II.
10. (a) Whether the assets of the company whose shares proposed to be acquired were valued by the management with the assistance of a valuer during the last two years. A statement in respect of the value of assets together with the basis of valuation may be attached to the application.
 - (i) In case the fixed assets of the company whose shares are proposed to be acquired have been revalued at any time, full details thereof.
11. Full details of the persons (name, address, etc.) from whom the shares are proposed to be acquired.
12. The purpose proposed to be served by acquiring shares and in what ways it is in the interest of the applicant company.
13. Parttern of the shareholding of the company.

<i>Sl. No.</i>	<i>Name</i>	<i>No. of ordinary shares held</i>	<i>Percentage of ordinary</i>
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shares

1. Financial institutions/Government companies/Corporations (by individual names)
 2. Banks other than financial institutions
 3. Non-residents
 4. Bodies corporate inter-connected with the applicant
 5. Other bodies corporate
 6. Directors
 7. Central Government or State Government
 8. Others.
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14. Pattern of shareholding as at present and after acquisition of shares in the company whose shares are to be acquired,

<i>Sl. No.</i>	<i>Name</i>	<i>No. of equity shares held (existing/after)</i>	<i>Percentage to equity Capital (existing /after)</i>
1.	Financial institutions as defined in section 2(da) of the monopolies and Restrictive Trade Practices Act, 1969		
2.	Non-residents (individuals, foreign companies, etc.)		
3.	Directors and their relatives and constituents of group		
4.	Inter-connected bodies corporate/firms of group		
5.	Indian public.		

Notes:--1. In case the shareholding of any individual/constituent exceeds one per cent of the total equity capital of company, please indicate the name of each such shareholder and the shares held by such shareholder separately.

2. Please indicate how the shareholding of the applicant together with the inter connected constituents of the \group exceed after the purposed purchase of the shares, twenty-five per cent of the total nominal value of the equity share capital of the company warranting application under section 108A of the Act.

- 15 (a) Whether the shares are to be acquired in his/its own name or in the name of any other person. If the shares are to be acquired in the name of any other person, give full particulars thereof with relationship, if any.
- (b) If the answer to (a) above is in the affirmative, the reason therefor.
16. Relationship/association, if any, of the person acquiring the share with the transferors(s) and with the directors of the company whose shares are proposed to be acquired.
17. (a) Details of funds available out of which the shares are proposed to be acquired. (In case, the applicant is a company, cash flow statement for five years including the year in which transfer is proposed shall be attached).
- (b) If any part of the amount to be invested is to be financed by borrowing, the amount of loan and sources of finance with terms regarding repayment, interest, security, etc., to be stated.
18. (a) Whether the provisions of sub-section (4) of section 372 of Act or the provisions of the any other law are applicable in respect of the above transactions. If so, whether they have been complied with. Please give particulars.
- (b) Whether the approval under the Foreign Exchange Regulation Act, 1973, is needed to the proposed

acquisition. If so, it may be stated whether necessary approval may be enclosed.

- © Whether rules 40A and 40B of listing agreement of stock exchange are applicable : give particulars.
- (d) Indicate the relevant clauses of memorandum and articles of association for the proposal.
19. Whether there will be any change in the composition of the board of directors of the company whose shares are proposed to be acquired as a result of the proposed acquisition? If so, give details
20. Any other information which the company wants to furnish.
21. Please enclose the following :
- (i) A Challan/bank draft towards prescribed application fees.
 - (ii) One copy of the audited balance sheet and profit and loss account of the company whose shares are proposed to be acquired for each of the last three years immediately preceding the year in which the shares are proposed to be acquired.
 - (iii) One copy of the audited balance sheet and profit and loss account of the applicant for each of the three years immediately preceding the year in which the shares are proposed to be acquired, if the applicant is a company

I/We solemnly declare that the facts stated in this application are true to the best my/our knowledge and the other facts are true to the best of my/our information and belief.

.....
Signature of the applicant

.....
Designation/description

Date:

Notes:--- (a) If this application is incomplete in any respect, the deficiency will be pointed out to the applicant and the period of 60 days mentioned in section 108E of the Act will count from the date from which such deficiency is set rights.

(b) The application from together with the enclosures shall be furnished in triplicate.

(c) The information in respect of the item 9(h), 9(i) 19(a), 10(b), 17(a) and 17(b) need not be furnished if the nominal value if the shares proposed to be acquired is less than Rs. 10,000.

ANNEXTURE I

Break-up value of shares as per the latest balance sheet

(Rupees in thousands)

Paid-up capital	.....
Add : Reserves and surplus:	.....
Less:	
(a) Miscellaneous expenditure to the extent not written off	-----
(b) Debit balance of profit and loss account	-----
© Arrears of depreciation not provided for	-----
(d) Contingent liabilities such as	
(i) Gratuity, taxes etc., with details	-----
(ii) Dividends proposed to be paid out of reserves.	-----
(iii) Income-tax liability not provided for	-----
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Total net worth	A
Preference capital	B
Net worth of equity	A-B
Break-up value per equity share	A-B
Total No. of equity shares	<hr/>

ANNEXDURE II
Value of shares based on yield
(Figures to be given from balance sheet for the last three years)

	Year ending	Year ending	Year ending
Profit (after depreciation but before tax and after providing for development rebate reserve)	.....	.....	.....
Add: Development rebate reerve	.....	.....	.....
Loss on sale of assets and any item of expenditure of non-recurring nature.	.....	.....	.....
A:	<hr/> A1	<hr/> A2	<hr/> A3
Less:			
(i) Dividends on investment (other than trade investments)	.....	.....	.....
(ii) Interest on Government securities	.....	.....	.....
(iii) Profit on sale of fixed assets/investments and other non-business profits	.....	.....	.....
(iv) Excess provision written back	.....	.....	.....
B:	<hr/> B1	<hr/> B2	<hr/> B3
Per-tax profit: C=(A-B)	C1	C2	C3
*Average yearly pre-tax profit: (C1+C2+C3)	-1/3 rd C		
Less:			
Estimated tax liability @ 60%	=T		
Average net profits after taxation (C-T) =D	D*100/15=E		
Capitalising 'D' at 15% return			
Add:			
Market value of investment on which dividend has been deducted in the above calculation :	F		
Net worth: (E+F)	G		
Less: Preference capital	H		
Net worth of equity	G-H		
Net worth of one equity share	G-H		
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	No. of equity shares		

* Note:---- In case profit fluctuated considerably during the last three years, average of five years working should be taken .

