

**THE GAZETTE OF INDIA**  
**EXTRAORDINARY**  
**PART –II – SECTION 3 – SUB SECTION (ii)**  
**PUBLISHED BY AUTHORITY**  
**SECURITIES AND EXCHANGE BOARD OF INDIA**  
**NOTIFICATION**  
**Mumbai, the 21<sup>st</sup> August, 2006**

**SECURITIES AND EXCHANGE BOARD OF INDIA**  
**(FOREIGN INSTITUTIONAL INVESTORS)**  
**(SECOND AMENDMENT) REGULATIONS, 2006**

S.O No. 1332 (E). In exercise of the powers conferred by section 30 of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Board hereby makes the following Regulations to further amend the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, namely :-

1. These Regulations may be called the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 2006.
2. They shall come into force on the date of their publication in the Official Gazette.
3. In the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 -
  - (i) in regulation 6, in sub-regulation (1), in clause (d) –
    - (a) sub-clause (i) shall be substituted with the following, namely:

“(i) an institution established or incorporated outside India as a pension fund, mutual fund, investment trust, insurance company or reinsurance company;”
    - (b) after sub-clause (i), the following sub-clause shall be inserted, namely:

“(i-a) a International or Multilateral Organisation or an agency thereof or a Foreign Governmental Agency or a Foreign Central Bank;”
    - (c) sub-clause (ii) shall be substituted with the following, namely:

“(ii) an asset management company, investment manager or advisor, nominee company, bank or institutional portfolio manager, established or incorporated outside India and proposing to make investments in India on behalf of broad based funds and its proprietary funds, if any;”

(ii) in regulation 12, for sub-regulation (3), the following sub-regulation shall be substituted, namely:

“(3) An application for registration as sub-account shall be made in Form AA.”

(iii) in regulation 13, in sub-regulation (1) –

(a) clause (e) shall be substituted with the following, namely:

“(e) the applicant and the Foreign Institutional Investor through whom the application for registration is made, have submitted joint undertakings as required by Form AA of the First Schedule;”

(b) clause (ee) shall be omitted;

(iv) in the First Schedule, for Form A, the following forms shall be substituted, namely:

**“Form A**  
**Application Form for Grant of Certificate of Registration as**  
**Foreign Institutional Investor (FII)**  
**[See regulation 3(2)]**

## **1. Details of the applicant**

### **1.1 Name of the applicant:**

### **1.2 Date of incorporation/establishment:**

### **1.3 Legal form of the applicant and the law under which it is incorporated, established or registered, if any:**

**1.4 Place of incorporation/establishment:**

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**1.5 Brief description of the principal activities:**

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**1.6 Year of commencement of such activities:**

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**1.7 Brief description of the group, if any, to which the applicant belongs:**

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**1.8 Registered office address:**

Address	
Postal Code	
Country	
Telephone no	
Fax No	
Web-site	
E-mail address	

**1.9 Compliance officer:**

Name	
Job Title	
Business Address	
Postal Code	
Country	
Telephone no	
Fax No	
E-mail address	

## 2. Category of the applicant

### 2.1.1 If the applicant is a fund:

- |   |  |
|---|--|
| <input type="checkbox"/> Pension Fund                                     | <input type="checkbox"/> University fund               |
| <input type="checkbox"/> Mutual Fund                                      | <input type="checkbox"/> Endowment                     |
| <input type="checkbox"/> Investment Trust                                 | <input type="checkbox"/> Foundation                    |
| <input type="checkbox"/> Bank   | <input type="checkbox"/> Charitable Trust              |
| <input type="checkbox"/> Charitable society                               | <input type="checkbox"/> Insurance/Reinsurance Company |
| <input type="checkbox"/> Central Bank                                     | <input type="checkbox"/> Foreign Governmental Agency   |
| <input type="checkbox"/> International or Multilateral organization       |  |
| <input type="checkbox"/> Nominee company                                  |  |
| <input type="checkbox"/> Any other, in the nature of fund, please specify |  |

### 2.1.2 Name of the investment manager/advisor of the fund:

### 2.2 If the applicant is not a fund:

- |   |  |
|---|--|
| <input type="checkbox"/> Asset Management Company   | <input type="checkbox"/> Institutional Portfolio Manager |
| <input type="checkbox"/> Investment Manager/Advisor | <input type="checkbox"/> Trustee                         |
| <input type="checkbox"/> Power of attorney holder   |  |
| <input type="checkbox"/> Any other, please specify  |  |

### 2.3 Details of the broad-based funds on whose behalf the applicant proposes to invest in Indian Securities markets :

Name of the fund/s	Category (e.g. Mutual fund, Pension fund)	Country of incorporation/establishment

### 3. Details of regulatory authority by which the applicant is regulated/with whom the applicant is registered

#### 3.1 Contact details:

Name	
Address	
Country	
Postal Code	
Telephone no	
Fax No	
Web-site	
E-mail address	

#### 3.2 Please mention briefly the activities which the applicant is permitted to undertake under the registration/license granted by the regulatory authority as indicated in Item No. 3.1 @:

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@ (for the applicants falling under item no. 2.2)

#### 3.3 Registration Number/Code (if any):

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#### 3.4 Period of registration (if any):

- Perpetual
- Fixed Validity, if yes then give details:

From: dd/mm/yyyy	To: dd/mm/yyyy
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#### 3.5 Disciplinary History

Whether there has been any instance of violation or non-adherence to the securities laws, code of ethics/conduct, code of business rules, for which the applicant, or its parent / holding company or affiliate may have been subjected to economic or criminal liability or suspended from carrying out its operations or the registration, has been revoked, temporarily or permanently.

- Yes  No

If yes, then please provide details:

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## 4. Details of domestic custodian and designated bank appointed

### 4.1 Details of the domestic custodian

Name	
Address	
Postal Code	
Country	
UIN	

### 4.2 Details of designated bank:

Name	
Address	
Postal Code	
Country	

## 5. Details of association with the Indian securities market

**5.1 Whether the applicant or its associate/s or group company/s, having office in India, have ever been registered with “SECURITIES AND EXCHANGE BOARD OF INDIA”**

Yes

No

If yes, then please provide details:

Name of the entity	Registered as	SEBI Registration No.	Period of registration	
			From	To
			<i>dd/mm/yyyy</i>	<i>dd/mm/yyyy</i>
			<i>dd/mm/yyyy</i>	<i>dd/mm/yyyy</i>

			<i>dd/mm/yyyy</i>	<i>dd/mm/yyyy</i>
			<i>dd/mm/yyyy</i>	<i>dd/mm/yyyy</i>

***(Please attach separate sheet, in the same format, if the space provided here is not sufficient)***

## 6. Undertaking and declarations

### Declaration:

We hereby declare that the applicant has not incurred any of the disqualifications mentioned in regulation 3(2) of the SEBI (Criteria for Fit and Proper Person) Regulations, 2004.

### Undertaking:

1. We hereby agree and declare that the information supplied in the application, including the attachment sheets, is complete and true.
2. We further undertake that we will immediately notify the Securities and Exchange Board of India and the Reserve Bank of India of any change in the information provided in the application.
3. We further undertake that we shall comply with the provisions of the Act, and regulations issued thereunder and all other relevant laws including guidelines issued by the Reserve Bank of India and the Government of India.
4. We further undertake that as a condition of grant of certificate of registration, we shall abide by such operational instructions/ directives as may be issued by Securities and Exchange Board of India and by the Reserve Bank of India from time to time under the provisions of the Act or any other law for the time being in force.

For and on behalf of (*Name of the applicant*)

<i>Name of the applicant</i>	
Signature	
Name of signatory	
Position	
Date	<i>dd/mm/yyyy</i>

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### Notes:

#### 1. Documents & Instruments to be enclosed with the application:

- (i) Certified copy of the relevant clause of Articles of the Memorandum and Articles of Association or the agreement authorizing the applicant to invest on behalf of its clients
- (ii) Audited financial statements/ annual report for the previous financial year, (period covered shall not be less than twelve months)

(iii) Draft of US \$ 5000 in favor of ‘Securities and Exchange Board of India’ payable in New York.

2. Applications along with necessary documents should be submitted at “**SECURITIES AND EXCHANGE BOARD OF INDIA, Division of FIIs & Custodians, Mittal Court `B` Wing, 1st Floor, Nariman Point, Mumbai - 400 021, INDIA**”

3. Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI) reserve the right to call for any further information from the applicant regarding his application.

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**Form AA**  
**Application Form for Grant of Certificate of Registration as**  
**Sub-account (SA)**  
**[see regulation 12(1)]**

**PART - I**

(For the applicants under category “broad-based fund” and “proprietary fund of the FII”)

**1. Details of the applicant**

**1.1 Name of the applicant:**

**1.2 Date of incorporation/establishment:**

**1.3 Legal form of the applicant and the law under which it is incorporated, established or registered, if any:**

**1.4 Place of incorporation/establishment:**



## 2. Category of the applicant

### 2.1 Please tick whether the applicant is:

- Pension Fund  Mutual Fund  
 Investment Trust  Proprietary fund of the FII  
 any other, please specify

### 2.2 Please declare that the applicant is:

- a broad-based fund  proprietary fund of the FII

### 2.3 If the applicant is “proprietary fund” of the FII, whether application is made for multi-managed structure

- Yes  No  Not applicable

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## PART – II

(For the applicants under the category “foreign corporate” and “foreign individual”)

## 1. Details of the applicant

### 1.1 Name of the applicant:

### 1.2 Citizenship of the applicant:

### 1.3 Present address of the individual/registered address of the foreign corporate:

Address	
Country	
Postal Code	
Telephone no	
Fax No	

Web-site, if any	
E-mail address, if any	

**1.4 Constitution of the applicant (in case of “foreign corporate”):**

## 2. Business/occupation of the applicant

**Brief description of the business/job of the applicant:**

-----x-----

### PART – III

(For the all the applicants)

## 3. Details of taxation authority

**3.1 Please provide following details of the authority where the applicant is subject to taxation:**

Name of the authority	
Address	
Country	
Postal Code	
Telephone no	
Fax No	
Web-site, if any	
E-mail address, if any	

**3.2 Permanent Account Number/Registration Number/Code given by tax authority (if any):**

## 4. Details of domestic custodian and designated bank appointed in India

#### 4.1 Details of the domestic custodian

Name	
Address	
Postal Code	
Country	
UIN	

#### 4.2 Details of designated bank:

Name	
Address	
Postal Code	
Country	

## 5. Undertaking and Declarations

### A. Declaration:

We hereby declare that the applicant has not incurred any of the disqualifications mentioned in regulation 3(2) of the SEBI (Criteria for Fit and Proper Person) Regulations, 2004.

We further declare that:

- a. no winding up orders have been passed against the applicant
- b. no order suspending or debaring the applicant from permanently carrying on activities in the financial sector has been passed by any regulatory authority;
- c. no order withdrawing or refusing to grant any license/approval to the applicant which has a bearing on the securities market has been passed by any authority in the preceding five years;
- d. any penalty imposed (including monetary penalty) by any regulatory authority has been undergone or paid.

### B. Undertakings

(i) In case the client / sub-account is a broad based fund:

"We undertake that the proprietary funds of *name of the FII* (give name of the Foreign Institutional Investor) shall not be invested through \_\_\_\_\_ (give name of the applicant)."

OR

(ii) In case the client / sub-account is a proprietary fund of the Foreign Institutional Investor:

"We undertake that only the proprietary funds of the *name of the FII* shall be invested through \_\_\_\_\_  
(give name of the applicant)."

**C. Further declaration and undertaking:**

1. We further declare that:

- (i) the Foreign Institutional Investor through whom an application for registration of sub-account is made is authorized to invest on behalf of the sub-account;
- (ii) the income of the applicant is from known and legitimate sources;
- (iii) the applicant is not a non-resident Indian or an overseas body corporate.

2. We hereby agree and declare that the information provided and the undertakings given above are complete and true.

3. And we further undertake that we will immediately notify the Securities and Exchange Board of India and the Reserve Bank of India of any change in the information provided.

For and on behalf of (*Name of the applicant*)

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Signature	
Name of signatory	
Position	
Date	<i>dd/mm/yyyy</i>

For and on behalf of

Name of the FII	
Regn No.	
Signature	
Name of signatory	
Position	
Date	<i>dd/mm/yyyy</i>

**Note:**

1. Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI) reserve the right to call for any further information from the applicant regarding his application.

2. Applications along with necessary documents should be submitted at “**SECURITIES AND EXCHANGE BOARD OF INDIA, Mittal Court `B' Wing, 1st Floor, Nariman Point, Mumbai - 400 021, INDIA**”

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**M. DAMODARAN**

**CHAIRMAN**

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**Footnotes:**

1. The Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 was published in the Gazette of India on November 14, 1995 vide S.O. No. 918 (E).
2. The Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 was subsequently amended –
  - a. on October 9, 1996 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 1996 vide S.O. No.702(E).
  - b. on November 19, 1996 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 1996 vide S.O. No.799(E).
  - c. on February 12, 1997 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 1997 vide S.O. No.105(E).
  - d. on July 10, 1997 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 1997 vide S.O. No.495(E).
  - e. on December 5, 1997 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Third Amendment) Regulations, 1997 vide S.O. No.823(E).

- f. on April 20, 1998 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 1998 vide S.O. No.333(E).
- g. on May 18, 1998 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 1998 vide S.O. No.417(E).
- h. on June 30, 1998 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Third Amendment) Regulations, 1998 vide S.O. No.545(E).
- i. on April 16, 1999 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 1999 vide S.O. No.263(E).
- j. on August 26, 1999 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 1999 vide S.O. No.688(E).
- k. on February 29, 2000 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2000 vide S.O. No.180(E).
- l. on March 28, 2000 by the Securities and Exchange Board of India (Appeal to the Securities Appellate Tribunal) (Amendment) Regulations, 2000 vide S.O. No.278(E).
- m. on October 20, 2000 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 2000 vide S.O. No.946(E).
- n. on February 13, 2001 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2001 vide S.O. No.128(E).
- o. on May 29, 2001 by the Securities and Exchange Board of India (Investment Advice by Intermediaries) (Amendment) Regulations, 2001 vide S.O. No.476(E).
- p. on September 27, 2002 by the Securities and Exchange Board of India (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002 vide S.O. No.1045(E).

- q. on December 10, 2002 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2002 vide No. S.O. 1292 (E).
- r. on May 14, 2003 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2003 vide No. S.O. 548(E).
- s. on August 28, 2003 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 2003 vide No S.O. 990 (E).
- t. on January 27, 2004 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2004 vide F. No. SEBI/LAD/DOP/19023/2004.
- u. on February 19, 2004 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 2004 vide F. No. SEBI/LAD/DOP/3349/2004.
- v. on March 10, 2004 by the Securities and Exchange Board of India (Criteria for Fit and Proper Person) Regulations, 2004 vide S.O. No.398(E).
- w. on June 26, 2006 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2006 vide S.O. No.948(E).