

# Transfer restrictions – would they hold up in court?, by Nishith Desai Associates

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Many who are accustomed to such transactions may be aware of the next step to take to ensure enforceability – inserting such rights in the charter documents of the company. Such is the practice that is widely followed globally.

In the Indian context, certain rights (even if documented in water tight agreements and reflected in the company's charter documents) ultimately may not be enforceable.

This report discusses the various restrictions on share transfers that are typically sought (lock-in conditions, tag alongs, ROFRs, etc.) and the degree of their enforceability in India.

[Read: Transfer restrictions – would they hold up in court?](#)

*Nishith Desai Associates is a research based international law firm with offices in Mumbai, Bangalore, Silicon Valley and Singapore. The Firm specializes in strategic legal, regulatory and tax solutions coupled with industry expertise in an integrated manner. Core practice areas include Cross-border transactions, Fund Structuring and Investments, Mergers & Acquisitions (M&A) , International Tax, Dispute Resolution (litigation and arbitration), Corporate Law, Employment Law and Intellectual Property Law; in addition to specialization in industry verticals including financial services, IT and telecom, pharma and life sciences, media and entertainment, real estate and infrastructure. For more information, go to [www.nishithdesai.com](http://www.nishithdesai.com)*

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