

## **FEMA Updates for the month of October 2018**

### **I. Amendment to Regulation 13 (Reporting Requirements) of FEMA FDI Regulations,2017**

With effect from 1<sup>st</sup> September,2018 reporting requirement for any investment made in India by a person resident outside India has undergone following amendments:

- Reporting requirement of Advance Remittance Form (ARF) within 30 days of receipt of amount for issue of capital instruments has been omitted.
- An Indian entity or an investment Vehicle making downstream investment in another Indian entity which is considered as indirect foreign investment for the Indian entity in terms of Downstream Investment (Regulation 14 of FEMA FDI Regulations,2017) shall file **“Form DI with the Reserve Bank of India (RBI) within 30 days from the date of allotment of capital instruments”**.
- An Investment Vehicle which has issued its units to a person resident outside India shall file **“Form InVi with the RBI within 30 days from the date of issue of units”**.

**Reference:** G.S.R. 823(E) dated 30<sup>th</sup> August, 2018 issued by RBI.

### **II. Foreign Investment in India - Filing of Single Master Form (SMF) in FIRMS Portal**

With effect from 1<sup>st</sup> September,2018, RBI has made available SMF for filing various forms such as reporting of indirect foreign investment through Form-DI, reporting of inflows in investment vehicles through Form-InVi and reporting in FC-TRS, LLP-I, LLP-II, ESOP, DRR and CN on RBI Website <https://firms.rbi.org.in>.

At present, filing of Forms on eBiz Portal is not available. Considering number of cases pending for disposal on eBiz Portal at Authorised Dealer (AD) Banks or Companies/Entities end, it is advised to AD Banks and Companies/Entities to clear off all the forms which were kept under resubmission by providing clarifications /additional documents sought before 20<sup>th</sup> September,2018. For filing forms in FIRMS Application, Company/entity needs to create a Business User Login which is different from Entity User Login. Entity User is for giving the details of Foreign Investment only. For more details relating to registration and Form filing process, please refer to the User Manual for SMF-FIRMS Application available on RBI Website.

**Reference:** RBI Letter vide FE.CO.FID//282/10.02.035/2018-19 dated 31<sup>st</sup> August,2018.