

FEMA-Reporting by India Entity in Single Master Form

ProBus Regulatory Alert

This document cites brief outline on the RBI directive on reporting of foreign investments in India by introducing Single Master Form.

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The Reserve Bank of India (RBI), with the objective of integrating the various reporting structures of foreign investment in India, has introduced a **Single Master Form (SMF)**. The SMF would be required to be filed online and would provide a facility for reporting total foreign investment in an Indian entity. SMF would substitute the requirement of individual reporting's currently being done through Form FC-GPR, FC-TRS, LLP-I, LLP-II, ESOP, CN and DRR. **The requirement of submitting the annual statement of foreign liabilities and assets ('FLA') with RBI by 15 July of every year, shall, however, continue.**

Prior to the implementation of SMF, RBI would provide an interface to the Indian entities to input the data on total foreign investment in a specified format called **Entity Master File (EMF)**. The interface will be available on RBI's website (www.rbi.org.in) from **June 28, 2018 to July 12, 2018**. Indian entities **not complying with this prerequisite will not be able to receive foreign investment and will be considered non-compliant with Foreign Exchange Management Act, 1999** and regulations made thereunder.

Considering the limited window of 15 days for filing EMF and the severe consequences attached to non-filing, Indian entities having foreign investment must prepare to submit the information timely.

Subsequent pages provide the following relevant documents for easy reference:

1. The RBI Circular no. 30 dated 7 June 2018 issued by RBI;
2. Annexures 1 & 2; and
3. FAQ document.

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We have presence in the cities of Delhi, Mumbai, Chennai and Pune. If you have any questions, feel free to write to us at admin@probusadvisory.com

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RESERVE BANK OF INDIA

Mumbai - 400 001

RBI/2017-18/194

A.P (DIR Series) Circular No.30

June 07, 2018

To

All Category – I Authorised Dealer Banks

Madam/Sir

Foreign Investment in India -Reporting in Single Master Form

As announced in the [First Bi-monthly Monetary Policy Review dated April 5, 2018](#), Reserve Bank, with the objective of integrating the extant reporting structures of various types of foreign investment in India, will introduce a Single Master Form (SMF). The SMF would be filed online.

2. SMF would provide a facility for reporting total foreign investment in an Indian entity {as defined in [Foreign Exchange Management \(Transfer or issue of security by a person resident outside India\) Regulations 2017, dated November 7, 2017](#)}, as also investment by persons resident outside India in an Investment Vehicle.

3. Prior to the implementation of the SMF, Reserve Bank would provide an interface to the Indian entities, to input the data on total foreign investment in a specified format. The interface will be available on RBI website www.rbi.org.in from June 28, 2018 to July 12, 2018. Indian entities not complying with this pre-requisite will not be able to receive foreign investment (including indirect foreign investment) and will be non-compliant with Foreign Exchange Management Act, 1999 and regulations made thereunder.

4. The entities may be in readiness with the requirements to be provided in the Entity Master at [Annex 1](#). The format of the SMF is at [Annex 2](#). The final form, when hosted, will be available in the Master Direction-Reporting under FEMA, 1999.

5. AD Category-I banks may bring the contents of this circular to the notice of their customers / constituents concerned.

6. The directions contained in this circular have been issued under sections 10(4) and 11(1) of the Foreign Exchange Management Act (FEMA), 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.

Yours faithfully,

(Shekhar Bhatnagar)
Chief General Manager in Charge

	Particulars	(In Block Letters)
	Address of the Registered Office	
	Pincode:	
	State:	
	District:	
	City:	
	Telephone/ Mobile No:	
	Fax:	
	E-mail:	
	Listed/Unlisted	

1.2 Business Activity Details

	Main Business Activity *	
	NIC Code (as per 2008 format)	
	Description :	
	<i>(as defined in the National Identification Code(NIC) 2008)</i>	
	Brownfield /Greenfield	

(* In case the company is engaged in more than one activity, the applicant may mention the main business activity of the company, ensuring that all its activities are in compliance with extant regulations)

1.3 Foreign Portfolio Investment as on _____(date)

Investor type	No of shares (on a fully diluted basis)	Percentage Holding
FPI		
NRI		
Others		
Total		

1.4 Foreign investment in company/ LLP

Paid up capital (on a fully diluted basis) of the company /total capital contribution in an LLP _____ and face value of the shares _____ as on _____ (date)

Particulars	Number	Percentage
Number of equity shares (on fully diluted basis) other than Foreign Portfolio investment Or Capital contribution/profit shares (if LLP) (A)		
Foreign Portfolio Investment (B)		
Indirect foreign investment (C)		
Total (C=A+B+C)		

Note : Fully diluted basis means the total number of shares that would be outstanding if all possible sources of conversion are exercised

2. Details of Foreign investment -Entry route and Applicable sectoral cap

2.1	Entry Route	A. Automatic Route B. Government Route (attach copy of Government approval)
2.2	Applicable Sectoral cap /Statutory ceiling	
2.3	Whether the foreign investment is received in the company/LLP and not for a specific project Project location Pin Code State District	YES NO

Form FC-GPR

Whether the reporting is : New

: Subsequent

Identification number/reference number : _____

1 Issue details:

1.1 Date of Issue :

1.2 Nature of Issue

Preferential private placement/ Private Arrangement	allotment	/
Rights		
Bonus		
Merger / demerger / Amalgamation	(Attachment)	
Subscription to Memorandum of Association (MoA)		
Conversion of Convertible notes		
Capital Instruments issued under Schedule 7 of FEMA 20(R)		
Shares issued upon exercise of ESOPs		
Issue of sweat equity shares		
Issue of participating interest /rights in oil fields		
Others (please specify)		

1.3 Amount of issue

Total amount of Inflow : Rs _____
Total amount for which capital instruments have been issued : Rs _____
Refund, if any Rs _____ Date of Refund _____
Does the amount refunded includes any interest payment : YES or NO
Attachments : RBI approval

1.4 Particulars of Issue

Type of Capital Instrument	Number	Maturity	Face value	Premium	Issue Price per instrument	Amount of consideration*
<ul style="list-style-type: none"> • Equity shares • Compulsorily Convertible Debentures • Compulsorily Convertible Preference shares • Warrants • Partly paid- up shares • Shares issued against Convertible notes • Shares issued upon exercise of options • Sweat equity shares • participating interest /rights in oil fields • Others (please specify) 						

1.4.2 For partly paid up shares/ share warrants

Total amount of consideration : _____

Amount received in the first tranche : _____

Amount received in the _nth _ tranche : _____ Date of receipt _____

Remarks

1.5. Pricing

1.5.1 Fair value of the shares (in Rs) _____

(Attach valuation certificate)

1.5.2 Pre- determined Conversion formula for CCPS/CCDS/share warrants

Conversion Ratio : _____ Period of conversion : _____

1.5.3 Whether the issue is pricing compliant : YES/NO

If no, please provide the necessary approvals from the competent authority for the issue (Attach approval letter)

2. Details of foreign investors:

2.1 Number of investors : _____

2.1.1 Details of the foreign investor:

2.1.1.1 General Details

Name Address Country Constitution / Nature of the investing Entity [Specify whether i. Individual ii. Company (Please specify if erstwhile OCB) iii. FPI iv. NRI v. FVCI vi. Others (please specify)] Percentage of shareholding (on a fully diluted basis) prior to this transaction	
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2.1.12 Remittance Details

<ul style="list-style-type: none"> • participating interest /rights in oil fields • Others (please specify) 						
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2.1.1.3.1 For partly paid up shares/ share warrants

Total amount of consideration : _____

Amount received in the first tranche : _____

Amount received in the _nth _ tranche : _____ Date of receipt _____

Remarks

1.5 Details of the buyer:

<p>Name</p> <p>Address</p> <p>Country</p> <p>Status (whether person resident outside India or person resident in India)</p> <p>Constitution / Nature of the investing Entity [Specify whether</p> <ol style="list-style-type: none">1. Individual2. Company3. FPI4. NRI5. FVCI6. Others (please specify)]	
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1.6 Details of the Seller :

<p>Name</p> <p>Address</p> <p>Country</p> <p>Status (whether person resident outside India or person resident in India)</p> <p>Constitution / Nature of the investing Entity [Specify whether</p> <ol style="list-style-type: none">1. Individual2. Company3. FPI4. NRI5. Erstwhile OCB6. FVCI7. Others (please specify)]	
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1.7 Mode of payment- Particulars of Remittance

<p>Name and Address of AD bank :</p> <p>Total amount of consideration (In rupees):</p> <p>Whether</p> <p><i>(i) Payment on full consideration :</i></p> <p><i>(ii) Payment on deferred basis</i></p> <p>Total amount in the first tranche:</p> <p>Amount in the ___ tranche and date of receipt :</p> <p>Total amount :</p> <p><i>(iii) Escrow arrangement :</i></p> <p>Total amount for which escrow arrangement been made :</p> <p>For subsequent inflow/outflow</p> <p>Amount:</p> <p>Date</p> <p><i>(iv) Indemnity arrangement</i></p> <p>Total amount for which indemnity arrangement been made:</p> <p>Inflow/Outflow in case indemnity is invoked</p> <p>Amount:</p> <p>Date :</p> <p><i>Please attach relevant extracts of the transfer agreement)</i></p> <p>Mode of Payment</p> <p>(i) Remittance through banking channel: (ii) Debit to NRE/FCNR/Escrow A/c (iii) Swap of capital instruments (iv) Others (please specify)</p> <p>(In case the mode of payment is through swap of shares, equivalent amount of shares may be entered as amount of inflow)</p>
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Form LLP-II (Transfer of capital contribution/profit shares)

1. Transfer details:

1.1 Date of receipt of remittance:

1.2 Date of transfer

1.3 Transfer type :

Transfer of capital contribution/profit shares from a person resident outside India to a person resident in India *(Please provide the acknowledgement letter for the initial investment)*

Amount of outflow: Rs _____

Transfer of capital contribution/profit shares instruments from a person resident in India to a person resident outside India

Amount of inflow : Rs _____

1.4 Details of the buyer:

Name Address Country Status (whether person resident outside India or person resident in India) Constitution / Nature of the investing Entity [Specify whether • Individual • Company • LLP • FPI • NRI • FVCI • Others (please specify)]	
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1.5 Details of the Seller :

Name Address Country Status (whether person resident outside India or person resident in India) Constitution / Nature of the investing Entity [Specify whether • Individual • Company • LLP	
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Form ESOP

Scheme under which ESOPS are issued _____

(Attach relevant extracts of the scheme)

Particulars of issue			
Date of issue	Number of ESOPs issued	Maturity Date	Pre-determined issue price

Form CN

Whether : New
 : Subsequent

Identification number/ reference number

Transaction type :

- 1. Issue of convertible notes
 - 1.1 New
 - 1.2 Repayment
 - 1.3 Conversion of Convertible Notes
- 2. Transfer of convertible notes

1. Issue of Convertible Notes

1.1 Date of issue of convertible notes : _____

1.2 Total amount of inflow : _____

1.3 Number of foreign investors : _____

Details of foreign investors :

1.3.1 General Details

Name Address Country Constitution / Nature of the investing Entity [Specify whether <ul style="list-style-type: none">i. Individualii. LLPiii. Company (Please specify if erstwhile OCB)iv. FPIv. NRIvi. FVCIvii. Others (please specify)]	
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1.3.2.1 Date of repayment : _____

1.3.2.2 Amount repaid (in rupees) : _____

1.3.3 Conversion of Convertible notes

1.3.3.1 Date of conversion : _____

1.3.3.2 Amount converted (in rupees) : _____

2 Transfer of convertible notes

2.1. Date of transfer :

2.2. Transfer Type :

Transfer of from a person resident outside India to a person resident in *India* (Please provide the acknowledgement letter for the initial investment)

Amount of outflow : Rs _____

Transfer from a person resident in India to a person resident outside India

Amount of inflow : Rs _____

2.3 Details of the buyer:

Name Address Country Status (whether person resident outside India or person resident in India) Constitution / Nature of the investing Entity [Specify whether 7. Individual 8. Company 9. FPI 10. NRI 11. FVCI 12. Others (please specify)]	
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2.4 Details of the Seller :

Name Address Country	
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Form DRR

Whether : New
 : Subsequent

1. Name and address of the Domestic Custodian:

2. Name and address of the Global Custodian

3. Issue Details

3.1 Date of issue :

3.2 Country:

3.3 Particulars:

3.3.1 No of DRs issued

3.3.2 Underlying securities : equity shares/CCDs/CCPs/share warrants/ debt /units

3.3.3 Conversion Ratio

3.3.4 Amount raised:

3.3.5 Issue expenses, if any

3.3.6 Amount repatriated in India :

3.3.7 Amount kept abroad

4. Whether : Sponsored/Unsponsored

4.1 Sponsor details ;

4.2 Name and address

5. Whether the DR is listed/traded on an International Exchange or trading platform: YES/ NO

5.1 Name of Stock Exchange

5.2 Date of commencement of trading

Form DI

(For reporting of indirect foreign investment –investment by an FOCC in the Indian company/LLP directly or through investment on stock exchanges or Downstream investment by an Investment Vehicle in which neither the Sponsor nor the Manager nor the Investment Manager is Indian ‘owned and controlled’ directly or through investment on stock exchanges

To be reported within 30 days of the date of allotment of shares/ CCDs/CCPS/warrants /partly paid up shares)

Investment Details :

- Investor type : Company/LLP /Investment Vehicle
- Name and Address :
- Date of investment :
- Amount (in Rupees) :
- Type of instruments : shares/CCDs/CCPs/warrants /partly paid up shares
- No of shares on fully diluted basis :

:

Form InVi

Details of foreign investment in Investment Vehicle

(To be reported by the Investment Vehicle receiving investment by a person resident outside India within 30 days of the date of issue of units)

1. **Name of the investment vehicle:**
2. **Type of investment vehicle :** (Real Estate Investment trusts
Infrastructure Investment trusts
Alternate Investment Funds –Cat-I
Alternate Investment Funds –Cat-II
Alternate Investment Funds –Cat-III
Others)

Please specify :

3. **Investor name :**
4. **Investor country**
5. **Investor type :** Individual
Company
FPI
NRI
FVCI
Others)

Please specify :

6. **Date of receipt of remittance :**
7. **Amount of remittance :**
8. **Date of issue of units :**
9. **Number of units allotted :**

(Common for all reportings)

Pre and Post transaction –Shareholding pattern

Foreign investment in company/ LLP

Particulars	Pre- Transfer	Post-Transfer
Number of equity shares (on fully diluted basis) Other than Foreign Portfolio Investment Or Capital contribution/profit shares (A)		
Foreign Portfolio Investment (B)		
Indirect foreign investment- Number of equity shares (on fully diluted basis) (C)		
Total (C=A+B+C)		
Percentage		

DECLARATION TO BE FILED BY THE AUTHORISED REPRESENTATIVE OF THE INDIAN COMPANY/LLP:

We hereby declare that:

1. We comply with the procedure for issue of capital instruments/receipt of capital contribution as laid down under Foreign Exchange Management (Transfer or issue of security by person resident outside India) Regulations, 2017 notified vide [Notification No. FEMA 20\(R\)/2017-RB dated November 07, 2017](#), as amended from time to time.

2. The investment is within the sectoral cap / statutory ceiling permissible under the regulations, *ibid* and in compliance with the attendant conditions.

3. The capital instruments issued under a scheme of merger and amalgamation of two or more Indian companies or reconstruction by way of de-merger or otherwise of an Indian company is duly approved by a court in India. (Check box)

3. The foreign investment received and reported now will be utilized in compliance with the provision of a Prevention of Money Laundering Act 2002 (PMLA) and Unlawful Activities(Prevention) Act, 1967 (UAPA). We confirm that the investment complies with the provisions of all applicable Rules and Regulations

5. We enclose the following documents in compliance with these regulations:

(i) A certificate from our Company Secretary as in the specified format at [Annex](#)

(ii) A certificate from SEBI registered Merchant Banker / Chartered Accountant indicating the manner of arriving at the price of the shares issued to the persons resident outside India (*if applicable*)

Or

A certificate from the Chartered Accountant/Cost Accountant/ approved valuer from the panel maintained by the Central Government, indicating the manner of arriving at the fair price of the capital contribution/profit shares issued to the persons resident outside India. (*if applicable*)

(iii) All other necessary documents as applicable to the issue.

(Signature of the Applicant)* : _____

(Name in Block Letters) : _____

(Designation of the signatory) : _____

Place:Date:

(* To be signed by Managing Director/Director/Secretary of the Company/LLP)

Annex

CERTIFICATE TO BE FILED BY THE COMPANY SECRETARY/PRACTICING COMPANY SECRETARY OF THE INDIAN COMPANY OR DESIGNATED PARTNER/AUTHORISED SIGNATORY OF THE LLP RECEIVING FOREIGN INVESTMENT:

In respect of the details as mentioned as mentioned above, we certify the following:

- (i) all the requirements of the Companies Act, 2013 /Limited Liability Act, 2008 have been complied with;
- (ii) terms and conditions of the Government approval, if any, have been complied with;
- (iii) the company/LLP is eligible to issue capital instruments/receive capital instruments under Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2017 notified vide [Notification No. FEMA 20\(R\)/2017-RB dated November 07, 2017](#), as amended from time to time.
- (iv) The company/LLP has all certificates issued by authorized dealers in India evidencing receipt of amount of consideration in accordance with Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2017 notified vide [Notification No. FEMA 20\(R\)/2017-RB dated November 07, 2017](#), as amended from time to time
- (v) The Investment Agreement/ Shareholder Agreement between the investor and the investee company is in compliance with the provisions of Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2017 notified vide [Notification No. FEMA 20\(R\)/2017-RB dated November 07, 2017](#), as amended from time to time

(Name & Signature of the Company Secretary/practicing Company secretary)

Or

(Name and Signature of the Designated Partner / Authorized representative of the LLP)

(Seal)

Declaration by the Non-resident transferor / transferee

I/We hereby declare that

- i. The particulars given above are true and correct to the best of my/our knowledge and belief.
- ii. I/ We, was/were holding the capital instruments of a company or capital contribution /profit shares in an LLP as per Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000 notified vide [Notification No. FEMA 20/2000-RB dated 3rd May 2000](#), as amended from time to time on repatriation/non repatriation basis.
- iii. I/ We, am/are eligible to acquire the capital instruments in a company or capital contribution/profit shares in an LLP in terms of regulations, ibid.
- iv. The investment is within the sectoral cap / statutory ceiling permissible under the regulations, ibid and in compliance with the attendant conditions.

Signature of the Declarant or his duly authorised agent
Date:

FAQs – RBI Circular “Entity Master Form” for FDI

- Q.1 What is the start date and end date for capturing “Entity Master” Form on RBI Website.
- A.1 The start date is 28 June 2018 and end date is 12 July 2018 both inclusive
- Q.2 The “Entity Master” form need to be captured on which website.
- A.2 The “Entity Master” form need to be captured on web portal that would be hosted on RBI site www.rbi.org.in
- Q.3 Which all Indian entities are required to submit “Entity Master” form
- A.3 Companies incorporated under the Companies act 1956/2013, Limited Liability Partnerships (LLP) registered under LLP Act 2008 who have received direct or indirect foreign investment in form of FDI or FPI need to submit “Entity Master” form to RBI
- Q.4 Do Companies who have filed FCGPR for all foreign direct investments need to submit “Entity Master” Form.
- A.4 “Entity Master” Form has to be filed by companies/LLPs irrespective of the fact that they have already done up to date requisite regulatory filing
- Q.5 Does filing of “Entity Master” form absolve the companies / LLPs of their obligation to file form FCGPR/Form LLP/Form ESOP etc.
- A.5 No. “Entity Master” Form is an additional reporting requirement and all other regulatory reporting related to FDI i.e. Form FCGPR/Form LLP/Form ESOP etc. would be required to be done.
- Q.6 What if the Indian Company/LLP fails to comply with “Entity Master” Form reporting Requirement even though it was applicable.
- A.6 Such Indian Company / LLP who fails to comply with the “Entity Master” Form reporting will not be eligible to receive foreign investment (including indirect investment) and will be treated as non-compliant with Foreign Exchange Management Act 1999 and regulations made there under.
- Q.7 In case Indian Company has received foreign direct investment before roll out of Single Master Form (SMF) and has done Advance Intimation Reporting (ARF) on eBiz portal then post roll out of SMF whether the company shall report issuance of shares in form FCGPR or Form SMF

A.7 Post roll out of SMF the Indian company need to report issuance of shares in form SMF even though ARF was filed earlier.