

## FOREIGN INVESTMENT IN INDIA - REPORTING IN SINGLE MASTER FORM

In terms of the RBI Circular No.30 dated June 07, 2018, as extended by the RBI, **July 20, 2018** is the last date for reporting by the Indian entities having existing total foreign investment in form Entity Master on the RBI Website.

The said Circular provides for a two-step process as following:

| Circulars                                      | Forms  | Description   | Dates   |
|--|--|---|---|
| A.P (DIR Series) Circular No.30 [June 7, 2018] | Reporting in <b>Entity Master Form ("EMF")</b> | One-time reporting of all forms of foreign investment in all Indian Entities.   | To be filed online between June 28, 2018 & July 12, 2018<br>[Note: now extended till July 20, 2018] |
|  | Reporting in <b>Single Master Form ("SMF")</b> | Combines the reporting requirements for Foreign Direct Investment (" <b>FDI</b> ") in India, irrespective of the type of instrument through which foreign investment is made. | With effect from August 01, 2018  |

### I. What needs to be done as a first step?

Companies/LLPs/start-ups with already existing Foreign Investment shall report their existing total foreign investment in form Entity Master on the RBI website between 28th June, 2018 to 20th July, 2018.

Format of EMF: [Format of the Entity Master Form](#)

### II. What's Next?

In order to integrate the extant reporting structures of various types of foreign investment in India in one Single Master Form (SMF) to be filed online has been introduced. After the new reporting regime commences, the filings in respect of foreign investment (including FC-TRS, FC-GPR, forms for reporting ESOPs, downstream investments, Form LLP-I, Form LLP- II, Form DRR, Form InVi ) will be integrated into SMF only.

The SMF viz. containing 9 reports would be made available online w.e.f. 1st August 2018.

### III. Consequences of Non-reporting

Indian entities not complying with the above 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.

**ARA LAW Remarks:** *The non-reporting of existing investment (which has been already duly reported earlier) may result in being regarded as violation of FEMA. Therefore, considering the serious repercussions it is advisable that the entities with foreign investment file the Entity Master form on RBI website as soon as possible and within the provided window till July 20, 2018.*

*We'll be happy to assist you with any query or assistance in relation to the above. Please feel free to contact us!*

Web-link to the Circular: [Circular dated 7th June, 2018, issued by RBI](#)

Web-link to the User Manual: [User Manual issued by RBI](#)