



# news flash

AUGUST 2015



## RBI FACILITATES ONLINE FILING OF FORMS FOR FDI

With a view to facilitate ease of reporting transactions under the foreign direct investment (**FDI**) scheme, the Reserve Bank of India (**RBI**) has enabled online filing of the following reports/ forms on the e-biz portal of the Government of India:

1. Foreign Currency Transfer of Shares Form (FCTRS): to be filed in case of transfer of shares, compulsorily and mandatorily convertible debentures, others from resident to non-resident or vice versa.
2. Advance Remittance Form (ARF) - to be submitted by Indian companies receiving consideration for issue of shares/ debentures under the FDI scheme.
3. Form FCGPR – to be filed when shares/ debentures/ other instruments, are issued to a foreign investor under the FDI scheme.

### *RBI Circulars & Press releases*

These facilities were made available by the RBI to the Indian companies pursuant to the following circulars:

- (a) A.P. (DIR Series) Circular No. 9 dated August 21, 2015; and
- (b) A.P (DIR Series) Circular No. 77 dated 12 February 2015.

The facility pertaining the online reporting of the ARF and the Form FCGPR is operational from 19 February 2015 and that of Form FCTRS is operational from 24 August 2015.

The RBI has further clarified in its press release dated 21 August 2015 that the online reporting facility on eBiz portal of the Ministry will be available in parallel with the physical filing of returns. Physical filing of forms will be discontinued in the next three months.

*How it works:*

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The design of the reporting platform enables the customer to login into the e-Biz portal, download the reporting forms, complete and then upload the same onto the portal using their digitally signed certificates. The Authorised Dealer Banks (**ADs**) will be required to download the completed forms, verify the contents from the available documents, if necessary by calling for additional information from the customer and then upload the same for RBI to process and allot the Unique Identification Number (UIN).

The ADs will be required to access the e-Biz portal (which is hosted on the National Informatics Centre (NIC) servers) using a Virtual Private Network (VPN) Account obtained from NIC. The financial aspects for obtaining/using the VPN accounts is being finalised in consultation with Government of India, DIPP and NIC. The same will be informed in due course

## *ALMT Views:*

The facilitation of online reporting is a positive step towards simplification of the regulatory processes. It is hoped that the ebiz portal will prove to be efficient and aid in making India into a favourable investment destination.

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For further clarification, you may write to our exchange control team comprising of (amongst others) Ms. Kruti Desai (Partner) at [kdesai@almtlegal.com](mailto:kdesai@almtlegal.com) or Ms. Rashna Jehani (Associate) at [rjehani@almtlegal.com](mailto:rjehani@almtlegal.com).