



Foreign Direct Investment

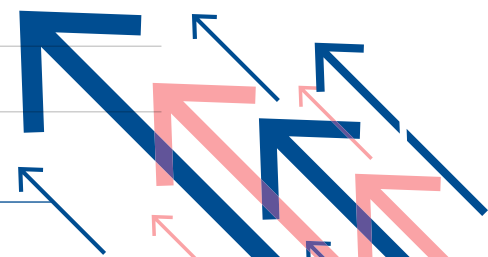
Ready Reckoner

Retail Trade & Forex Offering

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FDI Outlook for India



According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 572.80 billion between April 2000 and December 2021

Measures taken by the Government on the fronts of FDI policy reforms, investment

facilitation and ease of doing business have resulted in increased FDI inflows into the country.

Sectors attracting highest amount of FDI included Computer Software & Hardware, Construction (Infrastructure) Activities and Services Sector.

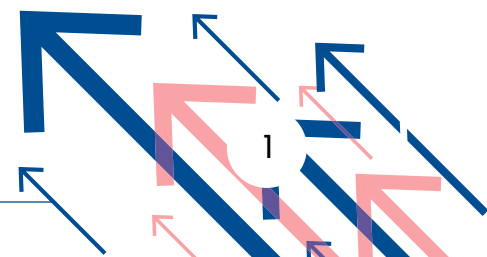
Important Definitions



“FOREIGN INVESTMENT” means any investment made by a person resident outside India on a repatriable basis in equity instruments of an Indian company or to the capital of a LLP;

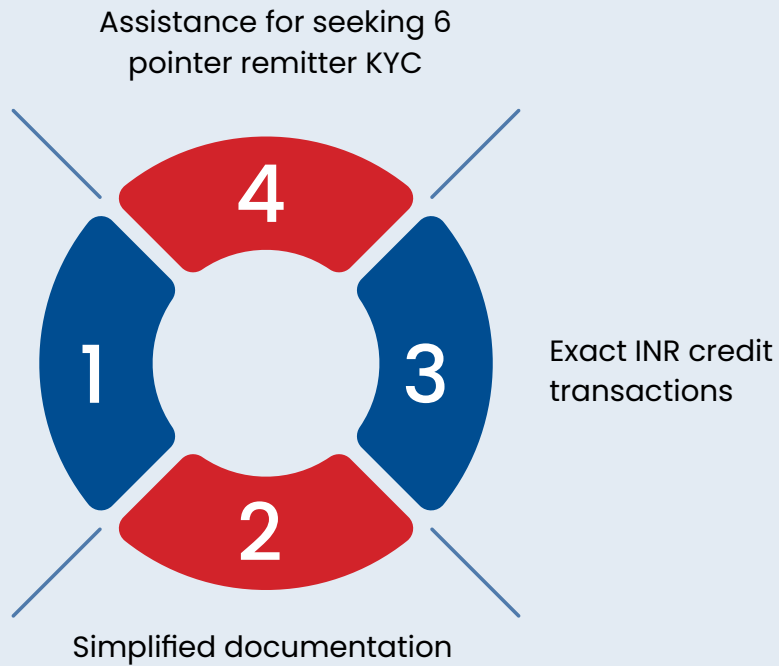
“FOREIGN DIRECT INVESTMENT” means investment through equity instruments by a person resident outside India in an unlisted Indian company; or in ten per cent or more of the post issue paid-up equity capital on a fully diluted basis of a listed Indian company;

“FOREIGN PORTFOLIO INVESTMENT” means any investment made by a person resident outside India through equity instruments where such investment is less than ten percent of the post issue paid-up share capital on a fully diluted basis of a listed Indian company or less than ten percent of the paid-up value of each series of equity instrument of a listed Indian company;



Advantage with HDFC Bank

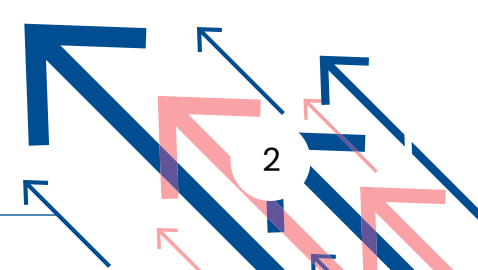
Dedicated team of Trade & Forex Sales Managers to handhold and extend support during entire life cycle of FDI transaction from handling pre and post transaction queries till final reporting on FIRMS portal of RBI



Regulatory Reference



- Foreign Exchange Management (Non-debt Instruments) Rules, 2019 Issued on October 17, 2019 and amended from time to time (Replaced FEMA 20R)
- FEM (Mode of Payment and Reporting of Non- Debt Instruments) Regulations, 2019 notified on October 17, 2019
- Press Note 3 (2020 Series) April 2020
- RBI Master Direction – FDI
- RBI FAQs on FDI





Automatic Route

- a) No prior approval required
- b) Subject to other applicable conditions

Approval Route *

Prior approval required from Government of India

*Need to directly apply on <https://fifp.gov.in/>

Manner of receipt of funds for FDI

01

Inward Remittance through NOSTRO

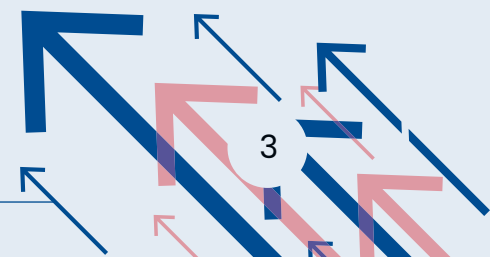
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Debit to NRE/FCNR Account

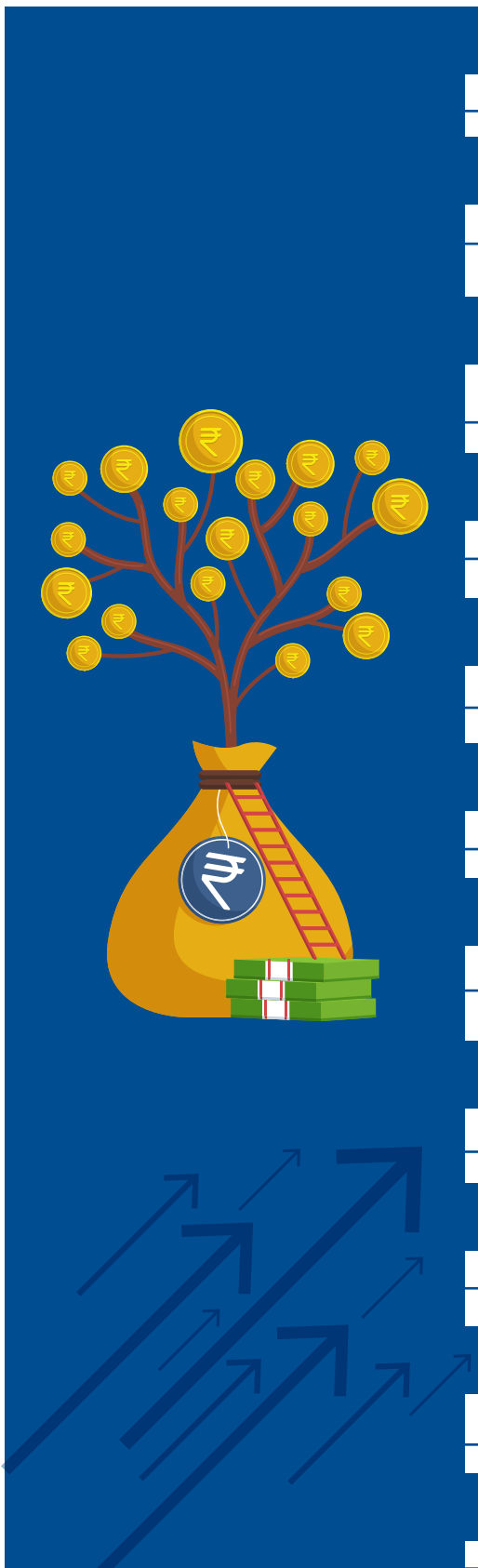
03

Debit to Non Interest bearing Escrow Account in INR with an AD Bank

*Funds transferred by exchange houses for investment is not a valid mode of receiving funds for FDI



Modes of investment into India



Preferential allotment / Private Placement

Conversion of convertible notes

Subscription to the Memorandum of Association

Bonus Issue

Swap of Shares

Merger / De-merger / Amalgamation

Depository Receipts

Conversion of payables to non-resident into equity shares

Rights Issue

Units of Investment Vehicle

Purchase of shares from Resident Indian / Entities

Types of Capital Instruments that can be issued against FDI



Equity Shares:

Equity shares are ordinary shares issued in accordance with the provisions of the Companies Act, 2013, and will include Equity Shares that have been partly paid.



Share Warrant:

Share warrants are issued by an Indian Company in accordance with the regulations issued by the Securities and Exchange Board of India (SEBI) and the provisions of the Companies Act, 2013. It is an option issued by the company that gives the warrant holder a right to subscribe equity shares at a pre-determined price on or after a pre-determined time period. A Share Warrant is a document issued by the company under its common seal, stating that its bearer is entitled to the shares or stock specified therein



Preference Shares:

Preference shares means that part of the issued share capital of a company which carries a preferential right with respect to payment of dividend, either as a fixed amount or an amount calculated at a fixed rate and repayment, in the case of a winding up or repayment of capital. Preference Shares are fully, compulsorily and mandatorily convertible Preference Shares.

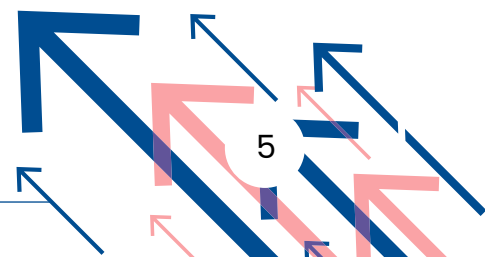


Rights Issue or Bonus Issue:

Issuance of Equity Shares to the existing shareholder of the company, as per the Companies Act 2013



Issuance of shares under Employee Stock Options Scheme and Sweat Equity Shares: It includes shares issued to employees/ directors or employees/ directors of its holding company or a joint venture or wholly owned overseas subsidiary who are residents outside India.



Special Dispensation For Startups



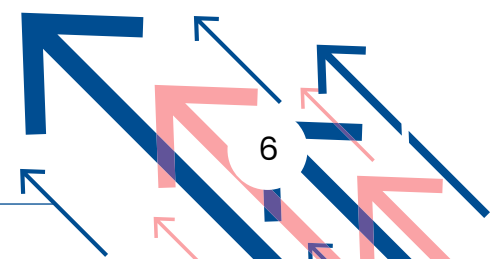
Convertible notes:

It is an instrument issued by a startup company acknowledging receipt of money initially as debt, repayable at the option of the holder, or which is convertible into such number of equity shares of that company, within a period not exceeding five years from the date of issue of the convertible note, upon occurrence of specified events as per other terms and conditions agreed and indicated in the instrument.

Guidelines on valuation of Capital Instruments

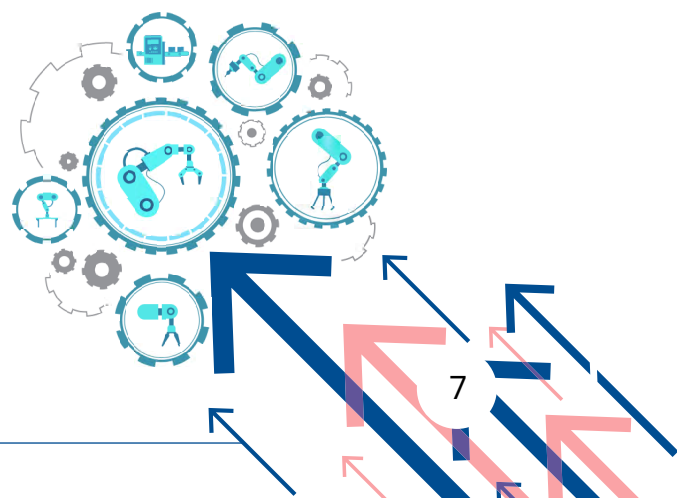
Type of Trxns.	Listed Company	Unlisted Company
Issue of shares by Indian Company / Transfer of shares from Resident to Non - resident	The price of equity instruments shall not be less than the price worked out in accordance with the SEBI guidelines	The price of equity instruments shall not be less than fair value worked out as per any internationally accepted pricing methodology on an arm's length basis duly certified by a CA or a Merchant Banker registered with SEBI or a practising Cost Accountant
Transfer of shares from Non-resident to Resident	The price of equity instruments shall not exceed price worked out in accordance with the relevant SEBI guidelines	The price of equity instruments shall not exceed fair value worked out as per any internationally accepted pricing methodology on an arm's length basis duly certified by a CA or a Merchant Banker registered with SEBI or a practising Cost Accountant

SEBI: Securities Exchange Board of India, CA: Chartered Accountant

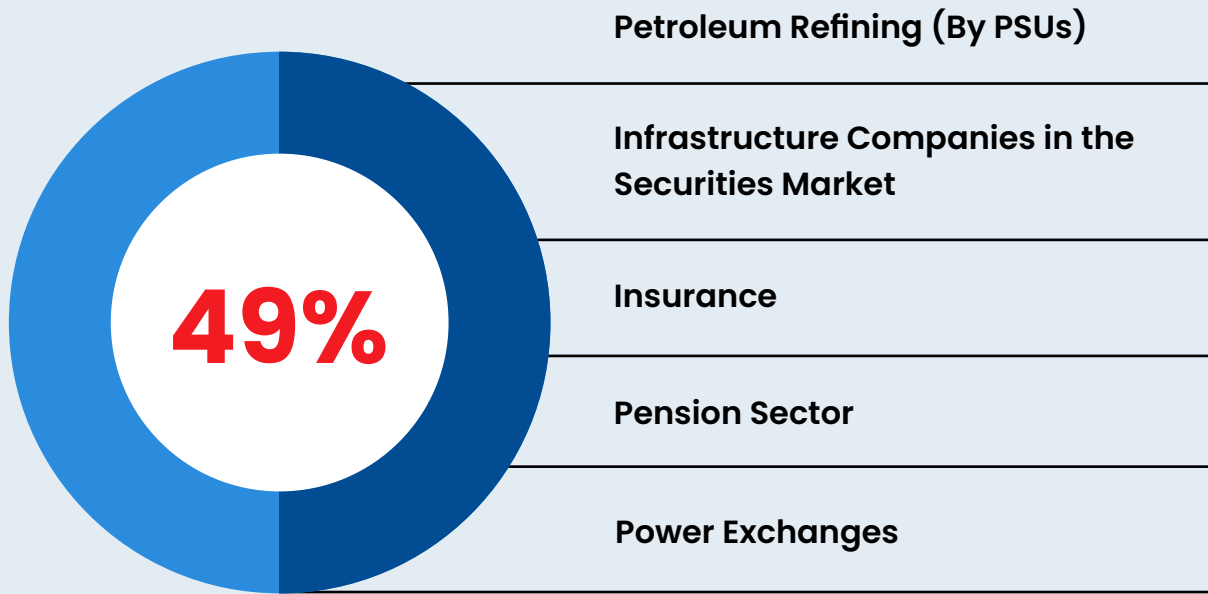


Permissible Sectors under 100% automatic route

- Agriculture and Animal Husbandry,
- Plantation
- Mining and Exploration of metal and non-metal ores
- Coal and Lignite
- Petroleum and Natural gas
- Manufacturing (including Food Processing)
- Broadcasting Carriage Services & Content services (Up-linking of Non-'News & Current Affairs' TV Channels/ Downlinking of TV Channels)
- Airports (Greenfield projects + existing Brownfield projects)
- Air-Transport Services (Non-Scheduled Air Transport Service/Helicopter services/ Seaplane services requiring Directorate General of Civil Aviation (DGCA) approval), other services under civil aviation sector such as ground handling, Maintenance and Repair Organizations
- Construction Development: Townships, Housing, Built-up infrastructure, Industrial Parks
- Cash & Carry Wholesale Trading (including sourcing from MSEs)
- E-commerce activities (B2B & Market place model),
- Single Brand Retail Trading
- Duty Free Shops
- Railway Infrastructure
- Asset Reconstruction Companies
- Credit Information Companies
- Intermediaries or Insurance Intermediaries
- White Label ATM Operations
- Other Financial Services
- Pharmaceuticals (Greenfield)
- Biotechnology, Electronics
- IT
- Medical Devices



Sectors with capping under automatic route



Sectors under Automatic and GOI approval route with capping

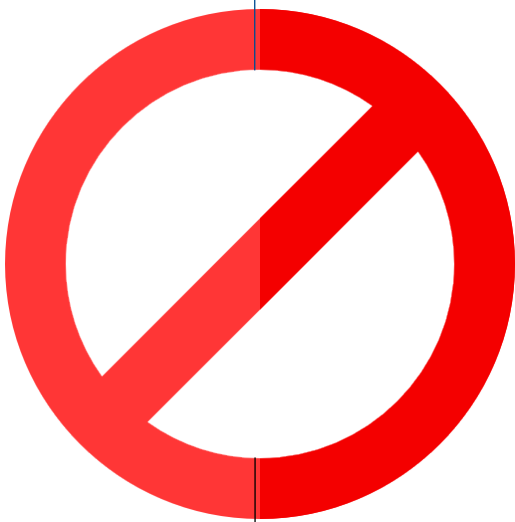
Sector	Automatic	Approval
Defence	74%	Beyond 74 %
Against Airport transport services (scheduled air transport service/ domestic scheduled passenger airline; regional air transport service)	49% (up to 100% for NRIs)	Beyond 49%
Private security agencies	49%	Beyond 49 % upto 74%
Telecom services	49%	Beyond 49%
Banking- private sector	49%	Beyond 49% upto 74%
Pharmaceuticals (brownfield)	74%	Beyond 74 %

Note: Please refer to FDI Policy issued by DPIIT as amended from time to time for latest sectoral capping.

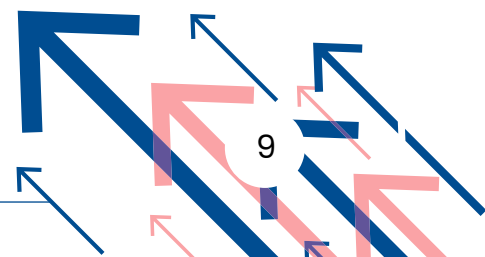
source: <https://dpiit.gov.in/foreign-direct-investment/foreign-direct-investment-policy>

Prohibited Sectors

- Lottery business including Government or private, online lotteries, etc.
- Gambling and betting including casinos, etc.
- Chit funds, Nidhi companies
- Trading in Transferable Development Rights,
- Real estate business or construction of farm houses



- Manufacturing of cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes.
- Activities or sectors not open to private sector investment e.g. (I) Atomic energy (II) Railway operations (other than permitted activities mentioned in paragraph (3) of Schedule I)
- Foreign technology collaborations in any form including licensing for franchise, trademark, brand name, management contract is also prohibited for lottery business and gambling and betting activities.



Real Estate Business

Real estate business' means dealing in land and immovable property with a view to earning profit therefrom and does not include development of townships, construction of residential/ commercial premises, roads or bridges, educational institutions, recreational facilities, city and regional level infrastructure, townships.

Real Estate Broking services is excluded from the definition of "real estate business" and 100% foreign investment is allowed in real estate broking services under automatic route.



Documentation for settling FDI remittance

FDI Declaration on the letter head of the Indian company / resident seller of shares

Press Note 3 / Land Border confirmation from the remitter

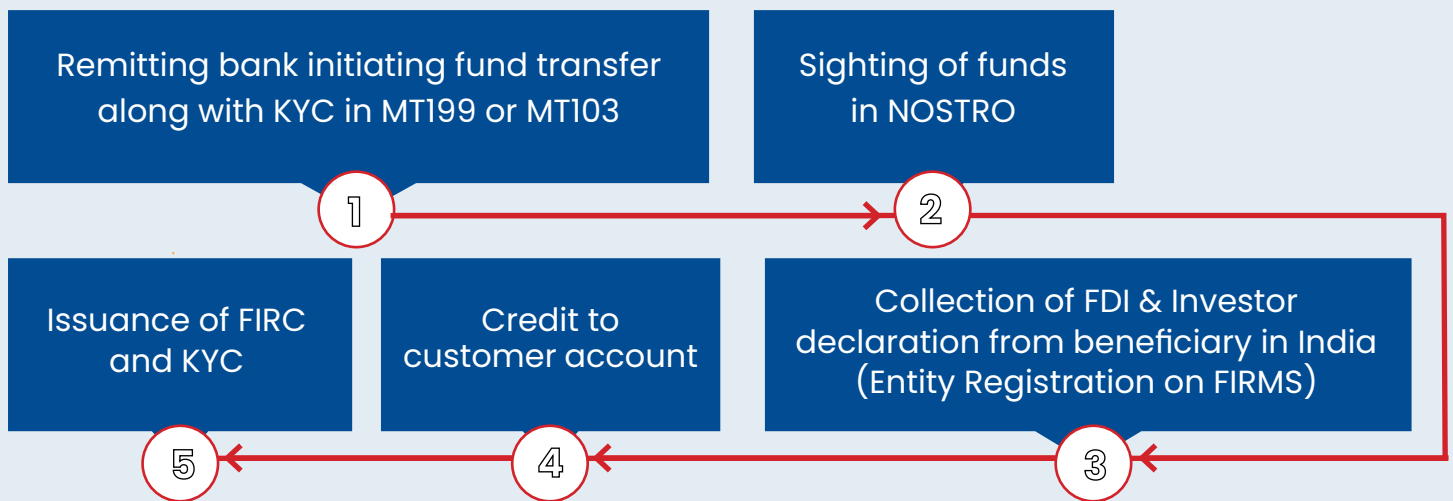
Copy of the Government approval if FDI is under the Approval route

6-pointer KYC of the investor/remitter in the format (refer Annexure 3) received separately in MT199 or in MT103 itself. Where investor is other than remitter then 6 pointer KYC required of both remitter and investor.

Legal Entity Identifier (LEI) Registration number for the remittance exceeding USD 1 Mio

Receiving 6 pointer KYC in MT103 would result in faster settlement and compliance. Please refer sample MT103 swift

Transaction flow in settlement of FDI transaction



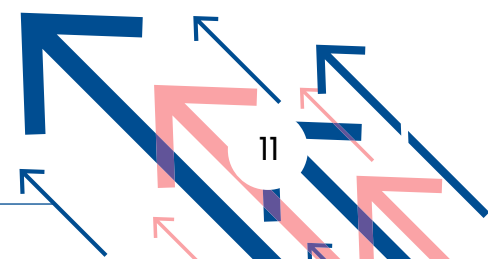
Single Master Forms - Reporting Timelines

The reporting timeline for any Investment in India by a person resident outside India shall be as follows:

Form Foreign Currency-Gross Provisional Return (FC-GPR): An Indian company issuing equity instruments to a person resident outside India shall report such issue in Form FC-GPR on FIRMS portal. Issuance/ allotment of shares is to be done maximum within 60 days of receipt of inward credit and FC-GPR filing should be done within 30 days from the date of issuance / allotment of shares.

FORM FC-TRS: FC-TRS filing is usually done at the time of transfer of existing shares from a Non-Resident to a Resident or vice versa. The filing should be done within 60 days from either date of remittance or date of transfer, whichever is earlier.

Form LLP (I): A Limited Liability Partnerships (LLP) receiving amount of consideration for capital contribution and acquisition of profit shares shall file Form LLP (I), within 30 days from the date of receipt of the amount of consideration.



Form LLP (II): The disinvestment / transfer of capital contribution or profit share between a resident and a non-resident (or vice versa) shall be filed in Form LLP(II) within 60 days from the date of receipt of consideration.

Form CN: Form CN filing is required at the time of issuance/transfer of Convertible Notes by Start-ups. The filing should be done within 30 days of the issuance/transfer of CN.

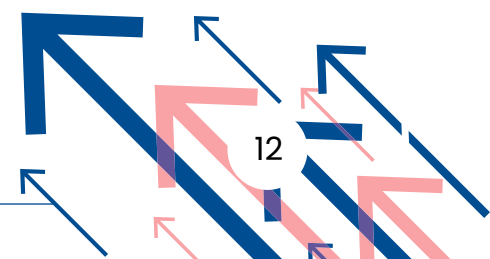
Form Employees' Stock Option (ESOP): An Indian company issuing employees' stock option to persons resident outside India who are its employees / directors or employees / directors of its holding company / joint venture / wholly owned overseas subsidiary / subsidiaries shall file Form-ESOP, within 30 days from the date of issue of employees' stock option.

Form Depository Receipt Return (DRR): The Domestic Custodian shall report in Form DRR, the issue / transfer of depository receipts issued in accordance with the Depository Receipt Scheme, 2014 within 30 days of close of the issue.

Form DI: An Indian entity or an investment Vehicle making downstream investment in another Indian entity which is considered as indirect foreign investment for the investee Indian entity in terms of Rule 22 of the Rules shall file Form DI with the Reserve Bank within 30 days from the date of allotment of equity instruments.

Form InVI: An Indian Company (Investment vehicle) which has issued its units to a person resident outside India shall file Form InVI within 30 days from the date of issue of units

Delay in reporting: The person / entity responsible for filing the reports as provided above shall be liable for payment of late submission fee, as may be decided by the Reserve Bank, in consultation with the Central Government, for any delays in reporting



Press Note 3 issued on 17th April 2020 for investments originating from countries sharing land borders with India

The Government of India amended para 3.1.1 of extant FDI policy as contained in Consolidated FDI Policy, 2017 as under:

3.1.1(a) A non-resident entity can invest in India, subject to the FDI Policy except in those sectors/activities which are prohibited. However, an entity of a country, which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, can invest only under the Government route. Further, a citizen of Pakistan or an entity incorporated in Pakistan can invest, only under the Government route, in sectors/activities other than defence, space, atomic energy and sectors/activities prohibited for foreign investment.

3.1.1(b) In the event of the transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the restriction/purview of the para 3.1.1(a), such subsequent change in beneficial ownership will also require Government approval.

List of countries sharing land border with India: Pakistan, Afghanistan, China (including Hong Kong and Macau), Nepal, Bhutan, Bangladesh & Myanmar.

Procedure for Government Approval

Proposals for foreign investment in sectors/activities requiring Government approval as per the Consolidated FDI Policy dated 15.10.2020, as amended from time to time (FDI Policy) and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019 dated 17.10.2019, as amended from time to time are required to be filed online through the Foreign Investment Facilitation Portal (FIFP) <https://www.fifp.gov.in> as per the guidelines and requirements prescribed under Standard Operating Procedure (SOP) for processing FDI proposals, as amended from time to time available at <http://fifp.gov.in/Forms/SOP.pdf> For further information may refer to FAQs related to Foreign Investment Facilitation Portal (FIFP) given at https://fifp.gov.in/FIFP_FAQ.aspx

Registration process on the FIRMS Portal



An entity expecting Foreign Direct Investment must register itself on the Entity Master Form on <https://firms.rbi.org.in/>

The pre-requisites for FDI reporting is creation of Entity User and Entity Registration on Entity Master Form and Business User registration on Single Master Form.

Creation of Entity User and Entity Master Registration:

Entities are required to register themselves and provide data with respect to all foreign investments received as on date, irrespective of the fact that the regulatory reporting to the Reserve Bank for the same has been made or not.

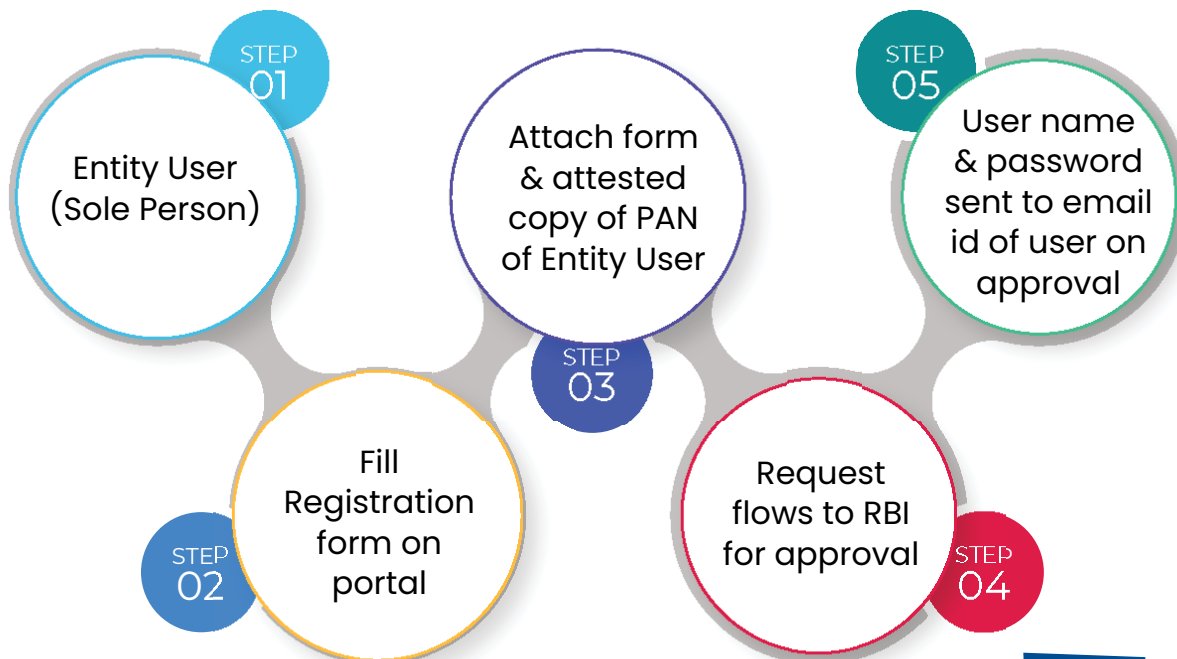
There are 2 main steps for Registering Entity on Entity Master:

- 1) Registration of Entity User
- 2) Creation of Entity Master by the Entity User

An **Entity User** is a person authorized by the entity (company/ LLP/Startup) to register an entity in the Entity Master of FIRMS application at <https://firms.rbi.org.in/>

Before beginning with the process of Entity User Registration, it is advised to arrange duly filled and signed Entity User authorisation letter (refer Annexure 6) along with self - attested copy of PAN of proposed entity user.

Following are the steps involved in entity user creation



Entity user then need to login and enter details to complete process of Entity Registration

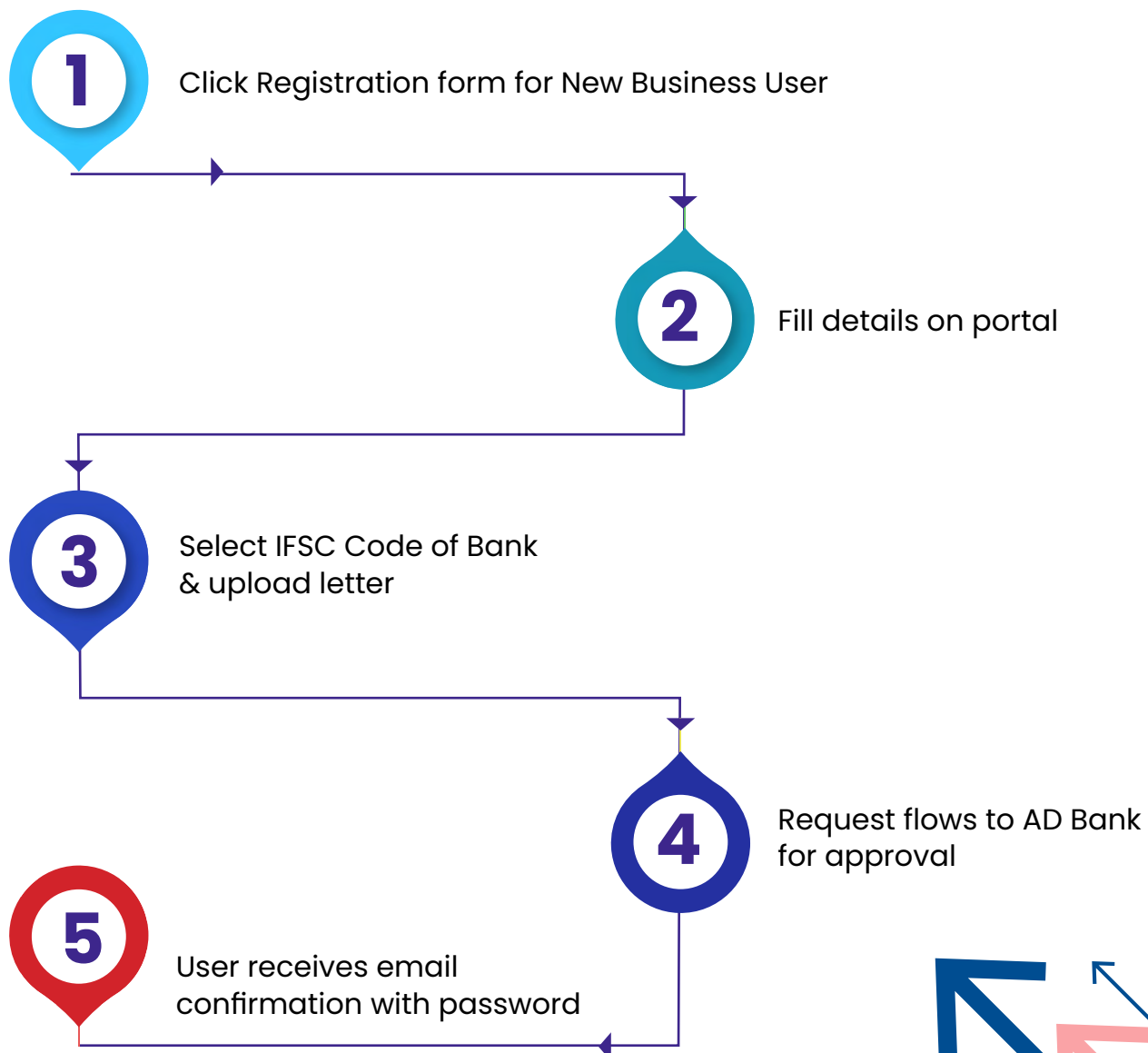
Business User Registration for FDI reporting:

The business user or BU is the applicant reporting the transaction in Single Master form on the FIRMS portal. A Business User can use his/her login credentials for only the entity that has authorized him/her to report the transactions. Every business user has to be eKYC verified at the Authorised Dealer bank before any reporting can be made in the Single Master Form.



An authorisation letter in the prescribed format (refer annexure 7) to be uploaded on the registration page for eKYC verification along with self –attested copy of PAN of person proposed to be authorised as Business User. Format of authorisation letter is available in the FIRMS User Manual accessible from the FIRMS portal.

Following are the steps involved in business user creation



Please find Location wise IFSC codes to be selected for raising Business User registration request to HDFC Bank Ltd

IFSC code	Branch name
HDFC0001097	Chennai
HDFC0000006	Ahmedabad
HDFC0000009	Bangalore
HDFC0000003	Delhi
HDFC0000021	Hyderabad
HDFC0000020	Kerala
HDFC0000469	Kolkata
HDFC0000060	Mumbai
HDFC0000007	Pune



Entity is required to select any one of said 9 IFSC codes based on their registered office address. TAT for approval is 3 working days

Post approval, the business user will receive the password on their registered email ID

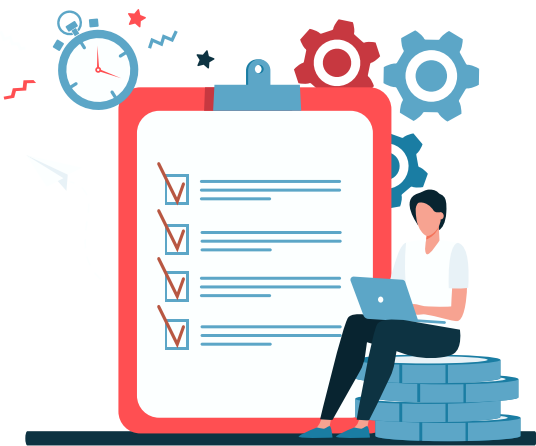
After the Business User registration is complete, the customer can initiate filing through the FIRMS Portal.

Detailed step by step guide on filing process along with formats can be found in SMF User Manual as follows:

- Business User Registration - Pages 9 to 11
- Format of Business User Authorisation Letter - Page 12
- FCGPR filing process and formats of related documents - Pages 15 to 36
- FCTRS filing process and formats of related documents - Pages 37 to 52
- Form LLP I, II - Page 53 to 74
- Form CN (Convertible Notes) - Page 75 to 83
- Form ESOP - Page 85 to 94
- Form DI - Page 94 to 102
- Form DRR - Page 103 to 109
- Form InVi (Investment Vehicle)- Page 110-115

Refer <https://firms.rbi.org.in/> for latest user manual

Document checklist for FCGPR Filing



1

Declaration:

As per format available in SMF User manual page no 34 (refer annexure 1). To be attached as "other attachments"

2

CS certificate: As per format in SMF User manual page no 35 (refer annexure 2). To be attached as "other attachments"

3

Valuation certificate:

As prescribed and applicable under NDI Rules, 2019. To be attached at "Valuation certificate". For rights issue, valuation certificate is not required. A declaration (plain paper) may be attached that the rights issue to person's resident outside India is not at a price less than the price offered to persons resident in India.

4

Board resolution:

Only the relevant extracts. To be attached as "other attachments"

5

Memorandum of Association:

if applicable. Relevant extracts to be attached as "other attachment".

6

Merger/ Demerger/ Amalgamation:

relevant extracts to be attached at the specified attachment "relevant approvals from the competent authority".

7

For Rights/ Bonus issue:

Acknowledgement letter of FC-GPR/FC-TRS, as applicable, of the original investment.

8

FIRC and KYC:

at the specified attachments. NRE letter (refer annexure 8) in lieu of FIRC for transfer from NRE account

Document checklist for FCTRS Filing



For Transfer by way of Gift:

- **Relevant regulatory approvals**, wherever applicable, to be attached as “other attachment”.
- **Consent letter:** Consent letter between donor and donee for the transfer to be attached as other attachment.
- **Non-resident declaration:** As per format on page no 51 of SMF User Manual (refer annexure 4), to be attached as “other attachments”

For transfer by way of sale:



- **Transfer agreement:** relevant extracts of the transfer agreement along with the consent letter between buyer and seller. For sale/ purchase on stock exchange, the contract note may be attached, at “Transfer agreement/ Valuation certificate”.
- **Valuation Certificate:** valuation certificate as per NDI Rules, 2019 to be attached at “Transfer agreement/ Valuation certificate”.
- **Non-resident declaration:** As per format on page no 51 of SMF User Manual (refer annexure 4), to be attached as “other attachments”.
- In case of sale by a non-resident, acknowledgement of FC-GPR/FC-TRS as applicable for the capital instruments being sold, to be attached as “other attachment”.
- FIRC /Outward remittance certificate and KYC to be attached at the specified attachment. NRE letter (refer annexure 8) in lieu of FIRC for transfer from NRE account

***Note:** Documents mentioned above is an indicative checklist. Please contact your branch Trade & Forex Sales Manager before undertaking reporting on FIRMS portal of RBI

In case the remittance is received from a joint account or if remitter of funds is different than the investor,



- 6 pointer KYC of remitter & investor both need to be uploaded.
- NOC from remitter for issuing capital instruments to the beneficial owner mentioning their relationship (refer annexure 5).
- A letter from the beneficial owner explaining the reason for the remitter making remittance on its behalf.
- A copy of agreement / board resolution from the investee company for issuing capital instruments to a person other than from who the remittance has been received.

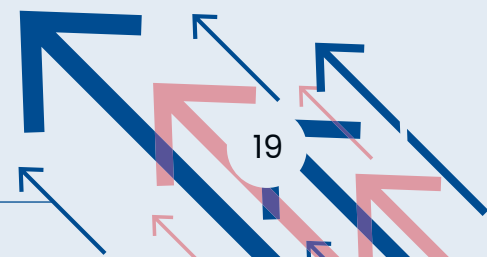
Deferred Payment Transaction



In case of transfer of equity instruments between a person resident in India and a person resident outside India, an amount not exceeding 25 per cent of the total consideration,

- can be paid by the buyer on a deferred basis within a period not exceeding eighteen months from the date of the transfer agreement; or
- can be settled through an escrow arrangement between the buyer and the seller for a period not exceeding eighteen months from the date of the transfer agreement; or
- can be indemnified by the seller for a period not exceeding eighteen months from the date of the payment of the full consideration, if the total consideration has been paid by the buyer to the seller.

The total consideration finally paid for the shares must be compliant with the applicable pricing guidelines. FCTRS filing is required for each tranche of remittance.

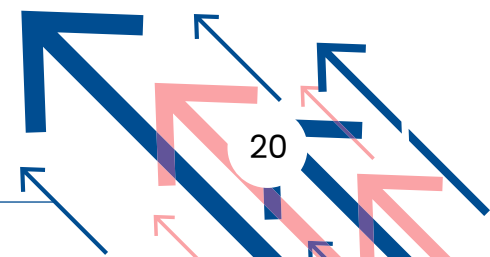


Nostro Bank Details

HDFC Bank Ltd has NOSTRO account for 22 currencies listed below which can be used for sharing with remitting bank for wire transfer of funds to India.

<https://www.hdfcbank.com/personal/pay/money-transfer/remittance>

22 CURRENCIES



Important links for reference

RBI Master Direction

FDI Policy

Press Note 3

FEMA notification

FIRMS Portal

Sample MT103 Swift message with KYC details

:20:F5S2008XXXXXXXXX _____ <Sender's Reference>

:23B:CXXX _____ <Bank Operation Code>

:32A:200804USDXXXXX _____ <Value Date/Current/Interbank Settled Amount>

:33B:USDXXX, _____ <Currency/Instructed Amount>

:50F:/109XXXXXXXXXX _____ <Ordering Customer-Name & Address>

1/XXX INC, XXX ABC CORPORATE PARK, CALXXXX, USA.

:52A:CITIUS33XXX _____ <Ordering Institution>

:59:/50200XXXXXXXXXX _____ <Beneficiary Customer-Name & Address>

DEF INDIA PVT LTD, XYZ CENTER, NEW DELHI

**:70:EQUITY INVESTMENT//LEAVE USD FOR CONVERSION AT HDFC//
CREDIT INR 100000 REFUND EXCESS _____ <Remittance Information>**

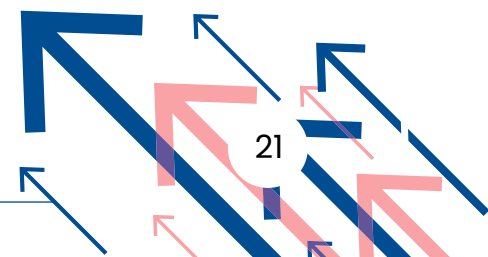
:71A:SHA, :71F:USD5,

:72:/REGNO-1234567//CITIBANK//SINCE15.08.1947 _____ <Sender to Receiver Information>

REG ADD: // ABC CORPORATE PARK CALXXXX USA

-}{5:{MAC:00000000}{CHK:EE04FBXXXXX}}{S:{SAC:}{COP:S}}

KYC details can be received in field 70 or field 72 above



Annexure 1

Declaration To Be Filed By The Authorised Representative Of The Indian Company:

We hereby declare that:

- 1) We comply with the procedure for issue of equity instruments as laid down under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 dated October 17, 2019 and as amended from time to time.
- 2) The investment is within the sectoral cap / statutory ceiling permissible under the rules, *ibid.*, and in compliance with the attendant conditions.
- 3) The equity 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. (Strike-out if not applicable)
- 4) 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 lawful 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 rules/regulations:
 - (i) A certificate from our Company Secretary as in the specified format.
 - (ii) A certificate from SEBI registered Merchant Banker / Chartered Accountant / cost accountant or any other person as authorized under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 dated October 17, 2019 and as amended from time to time, indicating the manner of arriving at the price of the shares issued to the persons resident outside India (wherever 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)

Annexure 2

Format for Company Secretary Certificate

CERTIFICATE TO BE FILED BY THE COMPANY SECRETARY/PRACTICING COMPANY SECRETARY OF THE INDIAN COMPANY

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

- (i) All the requirements of the Companies Act, 2013 have been complied with;
- (ii) Terms and conditions of the Government approval, if any, have been complied with;
- (iii) The company is eligible to issue equity instruments/receive equity instruments under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 dated October 17, 2019 and as amended from time to time.
- (iv) The company has all certificates issued by authorized dealers in India evidencing receipt of amount of consideration in accordance with Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 dated October 17, 2019 and as amended from time to time.
- (v) The Investment Agreement / Shareholder Agreement between the investor & the investee company is in compliance with the provisions of Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 dated October 17, 2019 and as amended from time to time.

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

Annexure 3

Format for Know your Customer

Know Your Customer (KYC) Form in respect of the non-resident investor

Registered Name of the Remitter/Investor (Name,if the investor is an individual)	
Registration Number (Unique Identification Number * in case remitter is an Individual)	
Registered Address (Permanent Address if remitter is an individual)	
Name of the Remitter's Bank	
Remitter's Bank Account no.	
Period of banking relationship with the remitter	

Passport No. Social Security No. or any Unique no. certifying the bona fides of the remitter as present in the remitter's country.

We confirm that all the information furnished above is true and accurate as provided by the overseas remitting bank of the non-resident investor.

(Signature of the Authorized Official of the AD bank receiving the remittance)

Date:

Stamp:

Place:

KYC is one of the most important pre-requisites for successfully completing the reporting. All 6 points are mandatory for regulatory reporting

Annexure 4

Format for 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 equity instruments of the company as per Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 dated October 17,2019 and as amended from time to time, on repatriation/non-repatriation basis.
- iii. I/ We, am/are eligible to acquire the equity instruments in a company in terms of rules, *ibid.*
- iv. The investment is within the sectoral cap / statutory ceiling permissible under the rules, *ibid.*, and in compliance with the attendant conditions.

Signature of the Declarant or his duly authorized agent

Date:

Annexure 5

Draft of NOC from remitter where remitter and investor are different

Date: _____

To,
HDFC Bank Ltd
Branch

Sub: No objection for allotment of shares/any capital instrument in name of

Dear Sir, Madam

I/we _____
(remitter name) have remitted an amount of _____USD(FCY) from my/
our account no _____ with _____Bank to the account of
_____ (beneficiary name) with _____bank in India.

I /we have remitted the funds on behalf of _____ (investor) with
whom i/we have a _____(relationship).

I/we have no objection in shares or any capital instrument being allotted in the name
of _____(investor) against the said amount of funds transferred by me/us.

Yours Truly

Name of remitter:

Email:

Contact No:

Annexure 6

Letter of Authorisation for Entity User creation

(ON THE ENTITY'S LETTER HEAD)

The Chief General Manager-in-Charge
 Foreign Exchange Department, Reserve Bank of India
 # Regional Office,

Date:-----

Dear Sir,

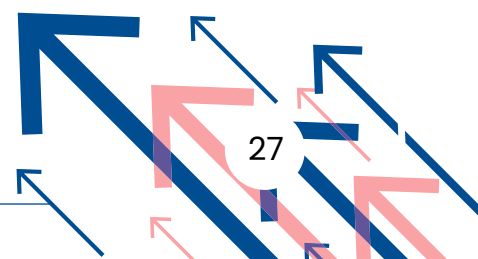
Sub: Letter of Authorization for creation of Entity User in FIRMS

1) We hereby authorize Shri. / Smt. / Ms.-----
 ----- (Name and Designation) holding Permanent
 Account Number (PAN) ----- (copy to be attached) to
 register as the Entity User for submission of information in the Entity Master of the
 Foreign Investment Reporting and Management System (FIRMS) on behalf of our
 company/ LLP named -----, having
 registered office at -----
 and PAN -----

#The CIN/ LLPIN is -----/Company/LLP is not required to
 obtain CIN/LLPIN

2) We also authorize Shri. / Smt. / Ms. -----
 ----- (Name of Authorized Representative) to make
 declarations and to submit documents, wherever required, on our behalf. These
 declarations and submissions are made towards the requirement of the Foreign
 Exchange Management Act, 1999 and any other applicable laws that may
 be in force.

3) We further confirm that we are liable for and bound by all acts of commission
 and omission by the authorized representative. All acts committed by the above
 authorized representatives shall be treated as if these acts were committed by
 the company/ LLP.



The Specimen signature of Shri. / Smt./ Ms. _____

_____ (Authorized representative) is attested below:

_____ (Specimen Signature of
authorized representative)

Yours faithfully

Signature of Managing Director / Director / Secretary of the Company / Designated
Partner (in case of LLP)

Name:

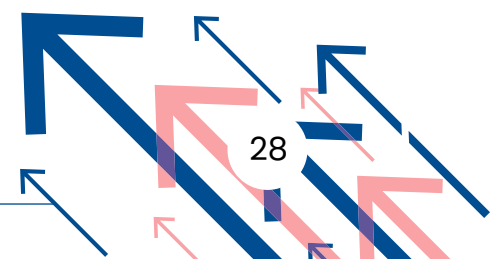
Designation:

Date:

DIN / Registration Number of Secretary / DPIN of Partners:

Seal of the signing authority:

Strike out whichever is not applicable ^Indicate the location of RBI Regional Office



Annexure 7

Letter of Authorisation for Business User registration

(ON THE ENTITY'S LETTER HEAD which would be registering itself as Business User for making filing in SMF-FIRMS)

(Where the Business User is filing the SMF in the capacity of an individual, the authority letter need not be on the Entity's letterhead.)

The Chief General Manager-in-Charge

Date _____

Foreign Exchange Department, Reserve Bank of India

Regional Office, _____

Dear Sir,

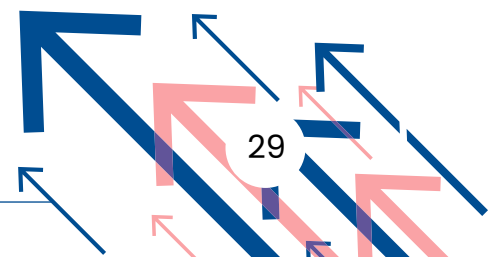
Sub: Letter of Authorization for filing in FIRMS application

1) We hereby authorize Shri. / Smt. / Ms. _____
 _____ (Name and Designation) holding
 Permanent Account Number (PAN) _____
 (copy to be attached) to register as Business user for submission of returns in
 Foreign Investment Reporting and Management System (FIRMS) on behalf of our
 company/ LLP/ investment vehicle named/ as an individual _____
 _____, having registered office at

 (not applicable for individual) and PAN _____.

#The CIN/ LLPIN/ SEBI registration number (for Investment vehicle) is _____
 _____/Company/LLP is not required to obtain CIN/LLPIN. (Not
 applicable for individual)

2) We also authorize Shri. / Smt. / Ms. _____
 _____ (Name of Authorized Representative) to
 make declarations and to submit documents, wherever required, on our behalf. These
 declarations and submissions are made towards the requirement of the Foreign Exchange
 Management Act, 1999 and any other applicable laws that may be in force.



- 3) We further confirm that we are liable for and bound by all acts of commission and omission by the authorized representative. All acts committed by the above authorized representatives shall be treated as if these acts were committed by the company/ LLP.

- 4) The Specimen signature of Shri. / Smt./ Ms. -----
----- Authorized representative) is attested below:
----- (Specimen
Signature of authorized representative)

- 5) Associated bank account of the entity/individual/ investment vehicle with the AD bank _____ account number) and name of the authorized signatory for this account is _____

- 6) The specimen signature of the authority signatory is as below _____
(signature of the authorized signatory for the bank account)

Yours faithfully

Signature of Managing Director / Director / Secretary of the Company / Designated Partner/ (in case of LLP) Investment manager or Sponsor for Investment vehicle (may self- authorize for individual)

Name:

Designation:

Date:

DIN / Registration Number of Secretary / DPIN of Partners:

Seal of the signing authority:

Strike out whichever is not applicable

^Indicate the location of RBI Regional Office

Notes: The format of the authority letter is same for all business user registrations and for all applicants viz., Company, LLP, Individual or Investment Vehicle The authority letter for individuals need not be on any letterhead CIN/LLPIN is not required for individual or investment vehicle This authority letter is for business user registration only. The authority letter for Entity user is different, as specified in user manual for entity master

Annexure 8

NRE Letter

Date: _____

To whomsoever it may concern

Account Name:

Address (overseas):

This letter has been issued at the request of Mr/Ms/Mrs. _____
 _____ who is holding NRE account no _____
 with our _____ branch since _____ (date of account opening).

Passport No: _____

Transaction details:

Date	Debit Acct No	Ref/ Cheque/ UTR/ no	Credit Acct No	Amount	Beneficiary Name	Beneficiary Bank Name

The purpose of fund transfer as confirmed by client is towards _____
 _____ (Foreign Direct Investment/acquisition of shares /capital contribution) in _____ (entity name) on repatriation basis.

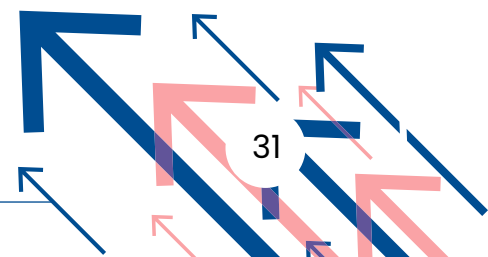
The 'certificate' is issued from the foreign exchange angle under the provisions of FEMA 1999 and should not be construed as an approval as any other statutory authority or from any other Government under any other laws/ regulations. If further approval or permission is required from any other regulatory / statutory or Government under the relevant laws/ regulations, the applicant should take the approval of the authority concerned before undertaking the transaction.

Yours Truly

Signature

Official Name:

Designation:



Thank you

Please get in touch with our Trade Sales Manager
or contact your Nearest Branch for more details