

### **Mandate on Foreign Investment, 2018**

The Reserve bank has recently mandated all Indian Companies that have existing Foreign Investment to report data in Entity Master of Foreign Investment Reporting and Management System (FIRMS). Accordingly, details of foreign investment in an Indian company since the date of incorporation need to be reported. The reporting window has already begun recently and would end on 12th July, 2018.

It has also been clarified by the RBI that Indian Entities who have had foreign investment at any time in the past, but are not having any such foreign investment as on date, would also be required to do the reporting by filing the Entity Master Form.

Indian Entities not complying with this pre-requisite within the prescribed timelines will not be able to receive Foreign Investment (including indirect foreign investment) and would be in non-compliance with Foreign Exchange Management Act, 1999 and regulations made thereunder.

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