

STRATAGE UPDATES

Reporting of Foreign Investment in Single Master Form

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RBI has released a circular for *rationalizing the reporting of foreign investment* on the *Foreign Investment Reporting and Management System* (“FIRMS”) Portal, on January 4, 2023 ([available here](#)), and its summary is set out below:



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- The forms submitted vide the *Single Master Form* along with the requisite documents on the FIRMS portal would be *auto-acknowledged* with time stamp, and an auto-generated email would be sent to the applicant.
- Thereafter, Authorized Dealer Bank (“AD Bank”) would *verify* the forms and documents submitted on the FIRMS portal, within *5 working days*, to ensure that the same are compliant with the extant guidelines. In case of *rejection of forms*, the remarks of the AD Bank would be communicated to the applicant by a system generated email and can be viewed on the FIRMS portal.
- The system would identify any *delay in reporting of the forms*, and the AD Banks would advise the applicants either to pay the *Late Submission Fee* (“LSF”) or *compounding* of the contravention.
- In case of a delay in submission of the forms, the AD Bank would approve the same if the delay is for a period: (i) *less than or equal to 3 years*, subject to payment of LSF; (ii) *more than 3 years*, subject to compounding of the contravention, for which the applicant would subsequently be required to file an application with RBI.
- The LSF amount would be computed by the system and an email would be sent to the applicant with the amount, timeline and process for payment of the LSF to the relevant regional office of RBI.