

FEMA Regulations relating to Investments in India & Investments outside India with Rupee Funds

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Transition from Foreign Exchange Regulation Act, 1973 to Foreign Exchange Management Act, 1999

- Post liberalization (i.e. New Industrial policy of 1991) there was need to remove shackles of regulatory and legal provisions.
- Need to consolidate and amend the law relating to foreign exchange with the objectives of facilitating external trade and payments and for promoting the orderly development and maintenance of foreign exchange market in India.
- Need to take various steps to make 'New Industrial Policy'-workable and meaningful.
- Industrial licensing was made pragmatic and objective-oriented.
- It was decided to review provisions of Foreign Exchange Regulation Act, 1973 (FERA).

Transition from Foreign Exchange Regulation Act, 1973 to Foreign Exchange Management Act, 1999

- Intention was to bring provisions of FERA in line with emerging trends of liberalization so as to remove obstacles in the inward flow of foreign exchange and foreign investment.
- Accordingly, on June 1, 2000, the Foreign Exchange Management Act, 1999 (FEMA) brought in force to replace the then existing FERA.
- It is an act to manage the foreign exchange of India as opposed to FERA which was enacted to regulate/control the foreign exchange.



Structure of FEMA

- Applies to the whole of India and all branches, offices and agencies outside India which are owned or controlled by a person resident in India.
- FEMA has 49 sections of which 9 (section 1 to 9) are substantive and the rest are procedural/ administrative
- Section 46 of FEMA grants power to Central Government to make rules to carry out the provision of FEMA
- Section 47 of FEMA grants power to RBI to make regulations to implement its provisions and the rules made there under
- RBI is entrusted with the administration and implementation of FEMA



Current and Capital Account Transaction

- Capital Account transaction means a transaction which alters assets or liabilities including contingent liabilities outside India of person resident in India and vice-versa. It's an economic definition rather than an accounting or legal definition.
- Current Account transaction is transaction other than a capital account transaction.

Current Account transactions are freely permitted unless prohibited - they are regulated by Central Government.

Capital Account transactions are prohibited unless generally permitted - they are regulated by RBI.



Current and Capital Account Transaction

- FEMA looks transaction from Balance of payment position of Country
- Examples -
 - Import of machinery on payment of cash - Current A/c transaction
 - Machinery is purchased on hire - Capital A/c transaction. There is an obligated to make future payment to the non-resident
 - Consideration for goods & Services - Current A/c transaction
 - Transaction represents a creation or acquisition of wealth shares, loans or immovable properties - Capital A/c transaction
 - Option Premium paid on NASDAQ - ???



Capital Account Transaction

- RBI has been empowered under section 6(2) of FEMA to specify, in consultation with the Central Government, any class or classes of Capital account transactions which are permissible [i.e. the transactions which are not included under section 6(3)].
- Section 6(3) of FEMA specifies the class of capital account transactions which are regulated by RBI.
- Every transaction listed in this section is regulated by a corresponding notification



Repatriation to India

Repatriate to India means bringing into India the realised foreign exchange and-

- (i) the selling of such foreign exchange to an authorised person in India in exchange for rupees, or
- (ii) the holding of realised amount in an account with an authorised person in India to the extent notified by the reserve Bank

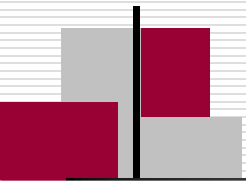
And includes use of the realised amount for discharge of a debt or a liability denominated in foreign exchange and the expression “repatriation” shall be construed accordingly. (Section 2(y) of FEMA)



Repatriation outside India

- 'Repatriation outside India' means buying or drawing of foreign exchange from an authorised dealer in India and remitting it outside India through normal banking channels or crediting it to an account denominated in foreign currency or to an account in Indian currency maintained with an authorised dealer from which it can be converted in foreign currency. (Notification no. 21)

Investment Opportunities under FEMA



Investment opportunities	Non-Resident Indian	Non-Resident	Repatriation basis	Non-repatriation basis
Interest free Loans to close "relatives" under USD 250,000 scheme	✓	✓	✓	
Lending in foreign currency in the form of ECB to Indian corporate who is holding at least 25% equity	✓	✓	✓	
Loans to persons other than companies	✓			✓
Deposit with proprietorship concern, partnership firm & companies	✓			✓
Investment in partnership firm or proprietary concern	✓			✓

Investment Opportunities under FEMA

Investment opportunities	Non-Resident Indian	Non-Resident	Repatriation basis	Non-repatriation basis
Deposits under FCNR /NRE /NRO Account	✓		✓	✓
Investment in Immovable Properties	✓			✓*
Investment in Portfolio Scheme	✓	✓ (RFPI)	✓	✓
Investment in securities other than shares and convertible debentures (Schedule 5)	✓	✓	✓	✓
Investment under FDI scheme (Schedule 1)	✓	✓	✓	✓
Investment under FDI scheme (Schedule 4)	✓		✓	✓

** Sale proceeds of two residential properties to the extent of cost of acquisition of such properties can be repatriated. Capital appreciation thereof can be deposited in NRO account and can be*



Interest-free loan to 'close relatives'

- An individual resident in India may borrow a sum not exceeding USD 250,000 from his close relatives outside India, subject to the conditions that:
 - ❑ minimum maturity period of the loan is 1 year
 - ❑ the loan is free of interest
 - ❑ loan is received by inward remittance in free foreign exchange through normal banking channels or by debit to the NRE/FCNR account
- ‘Close relative’ means relative as defined in Sec. 6 of Companies Act, 1956
- Applicable only to Indian resident as per FEMA
- Limit of USD 250,000 is applicable for borrowings from all relatives put together.
- No restriction on end use.

Lending in the form of ECB having at least 25% stake in Indian Company

- ECB up to USD 5 million:
 - minimum equity of 25% held by the lender
- ECB more than USD 5 million;
 - Minimum equity of 25% held by the lender
 - and**
 - Debt Equity Ratio not exceeding 4:1
(i.e. the proposed ECB not exceeding four times the direct foreign equity holding)
- Ceiling on all-in-cost (i.e. rate of interest, other fees and expenses in foreign currency except commitment fee, pre-payment fee and fees payable in Indian Rupees)

Average maturity period	All-in-cost ceiling
3-5 years	300 bps + 6 months LIBOR
More than 5 years	500 bps + 6 months LIBOR

Lending in rupees by NRI to persons other than companies on non-repatriation basis

- Mode of receipt
 - Inward remittance through normal banking channel or through NRE/ NRO/ FCNR-B account of the lender maintained by AD
- Rate of Interest
 - Shall not exceed (2% + prevailing bank rate on date of availment of loan) (Current Bank Rate as per RBI website – 9%)
- Maturity Period
 - Shall not exceed 3 years
- Mode of Repayment
 - If amount borrowed through NRSR A/c – Repayment through NRSR A/c
 - If amount borrowed through other mode – Repayment through account desired by lender

Lending in rupees by NRI to persons other than companies on non-repatriation basis

- The borrowed funds shall not be used for any other purpose except the borrowers business unless the business is that of:
 - ❑ Agriculture or plantation activities
 - ❑ Real estate business or construction of farm houses
 - ❑ Trading in Transferable Development Rights
 - ❑ Chit fund
 - ❑ Nidhi Company
- The borrowed funds shall not be used for any investment by any means in any company, partnership firm, proprietorship concern or any entity or for relending.



Investment by way of deposits to proprietorship concern, partnership firm & companies on non-repatriation basis

- The maturity period of deposit shall not exceed 3 years
- The amount of deposit shall be received by debit to NRO account only, provided that the amount of the deposit shall not represent inward remittances or transfer of funds from NRE/FCNR(B) accounts into the NRO account. (substituted by FEM (Deposit)(Amendment) Regulations, 2004.

Investment by NRI in partnership firm or proprietary concern in India

- Investment is by way of inward remittance or out of NRE/FCNR(B)/NRO account.
- Restricted sectors
 - agricultural/plantation
 - real estate business (i.e. dealing in land and immovable property with a view to earning profit or earning income there from)
 - print media sector
- Investment on repatriation basis is allowed with prior permission of RBI

Deposits under FCNR /NRE /NRO account

- Interest on NRO deposit would be non repatriable and would be taxable.
 - Interest on NRO A/c should be regarded as investment income and hence 20% rate should apply. (AAR no.784 dated 17th December, 2008 in the case Dr. Virendrakumar Raina)
 - In case NRI is able to access treaty entered by India and if treaty rate is lower than 20% such lower rate can be adopted. For e.g. UAE treaty provides for 12.5% withholding tax on interest

Features of deposits schemes under FCNR /NRE /NRO account

Particulars	Non-Ordinary Rupee Account (NRO Account)	Non-Resident (External) Rupee Account Scheme (NRE Account)	Foreign Currency (Non-Resident) Account (Bank) (FCNR(B) Account)
Who can open an account	Person resident outside India (Individuals / entities of Bangladesh / Pakistan nationality / ownership requires RBI approval)	NRI (Individuals / entities of Bangladesh / Pakistan nationality / ownership requires RBI approval)	NRI (Individuals / entities of Bangladesh / Pakistan nationality / ownership requires RBI approval)
Repatriable / Non-Repatriable	Non-Repatriable (Except under USD 1 million per F.Y. scheme)	Repatriable	Repatriable
Type of account	Current, Savings, Recurring or Fixed Deposit Accounts	Current, Savings, Recurring or Fixed Deposit Accounts	Term deposits
Joint accounts	Jointly with residents	Two or more NRI of Indian nationality or origin	Same as NRE account

Features of deposits schemes under FCNR /NRE /NRO account

Particulars	Non-Ordinary Rupee Account (NRO Account)	Non-Resident (External) Rupee Account Scheme (NRE Account)	Foreign Currency (Non-Resident) Account (Bank) (FCNR(B) Account)
Major Permissible Credits	Remittance in permitted foreign currency, Deposit by account holder during temporary visit to India, Transfer from rupee account of non-resident banks, Dues in India of accountholder	Remittance in permitted foreign currency, proceeds of foreign currency / bank notes tendered during temporary visit to India, transfer from other NRE / FCNR account etc.	Same as NRE account
Major Permissible Debits	Local rupee payments, Remittance outside India of current income in India (net of taxes)	Local disbursements, remittance outside India, transfer to other NRE / FCNR account etc.	Same as NRE account

Features of deposits schemes under FCNR /NRE /NRO account

Particulars	Non-Ordinary Rupee Account (NRO Account)	Non-Resident (External) Rupee Account Scheme (NRE Account)	Foreign Currency (Non-Resident) Account (Bank) (FCNR(B) Account)
Loan - to account holders	<ul style="list-style-type: none"> ▪ Rupee loan against security of fixed deposits for personal purpose or business purpose except for relending or agricultural / plantation activity or for investment in real estate business ▪ Overdraft 	<ul style="list-style-type: none"> • For personal purpose or business purpose except for relending or agricultural / plantation activity or for investment in real estate business • For direct investment in India in firms / companies on non-repatriation basis • For purchase of flat in India for own residential purpose 	Same as NRE account

Features of deposits schemes under FCNR /NRE /NRO account

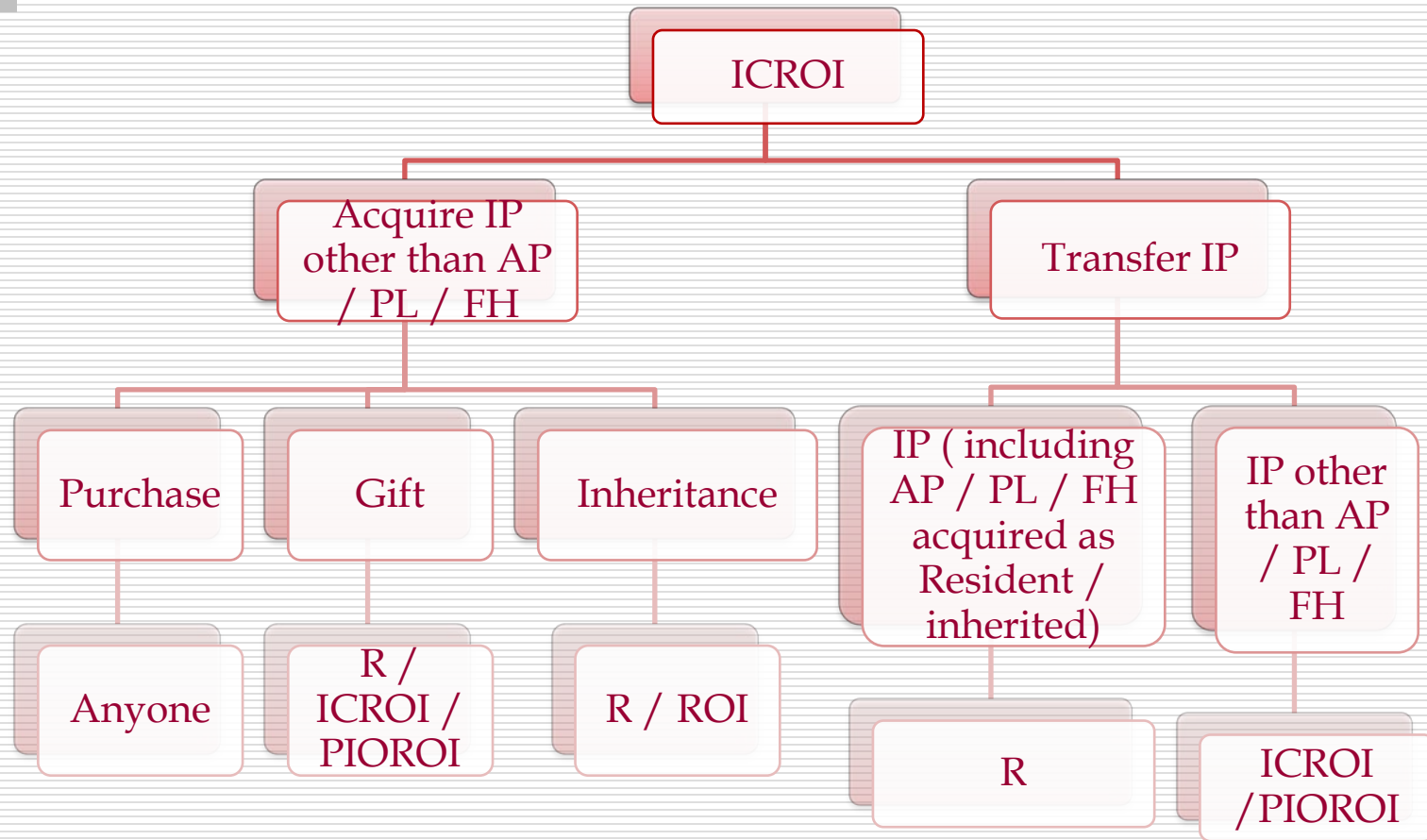
Particulars	Non-Ordinary Rupee Account (NRO Account)	Non-Resident (External) Rupee Account Scheme (NRE Account)	Foreign Currency (Non-Resident) Account (Bank) (FCNR(B) Account)
Loan - to third parties	Loans / overdrafts to R / firms / Indian companies against security of FD in NRO account subject to conditions	Fund based / non-fund bases to R / firms / India companies against security of FD in NRE account subject to conditions	Same as NRE account
Loan - outside India	Not allowed	Fund based or non-fund based to or in favour of NRI or to third parties	Same as NRE account



Investment in Immovable Properties

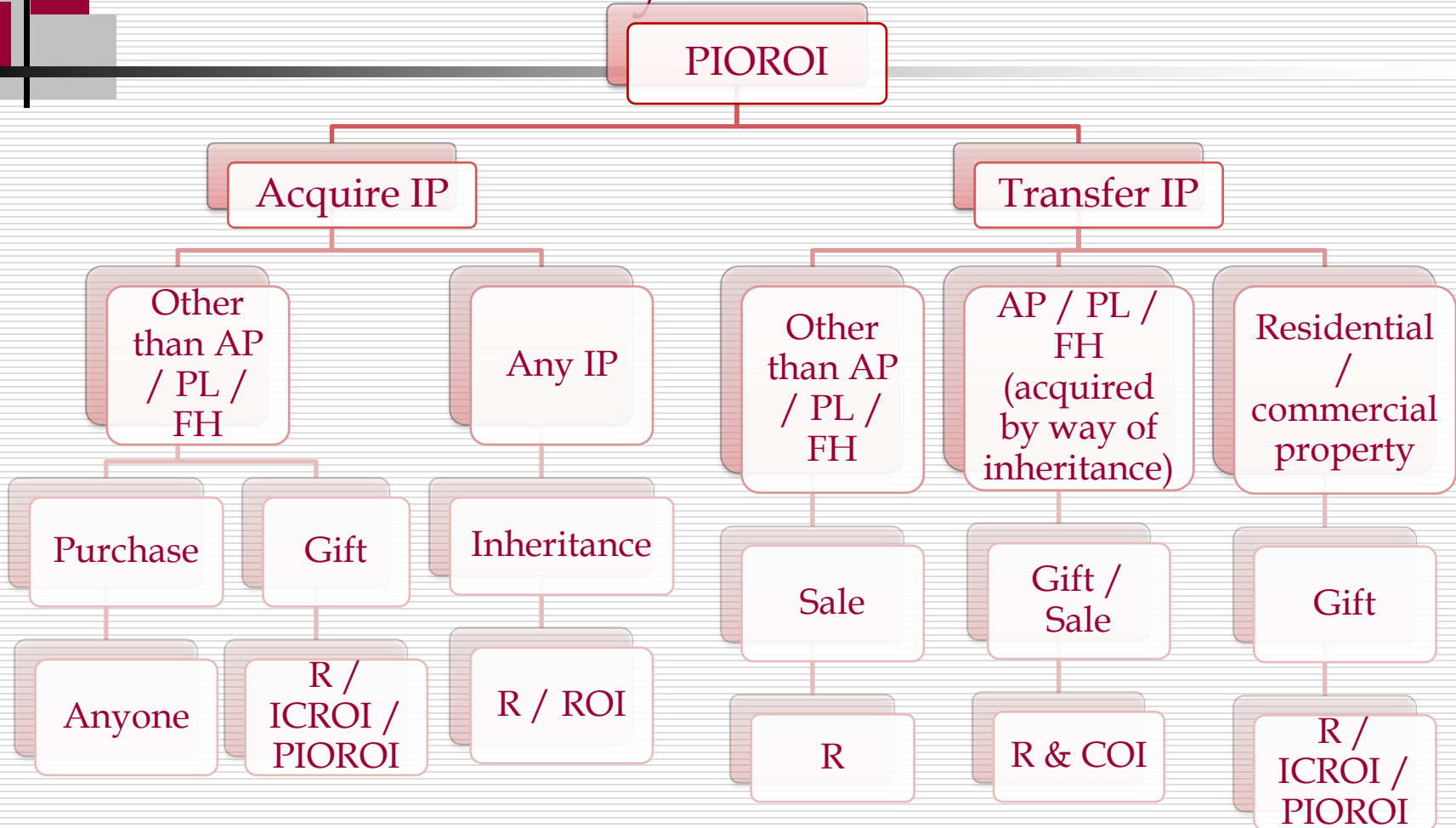
- Immovable Property (IP) is neither defined in FEMA nor in Notification No.21
- Investment in Agricultural Property (AP), Plantation (PL) and Farm House (FH) not permitted
- PIO has to sell property to Resident Indian only. Sale to other NRI or PIO would require prior RBI approval.
- Transactions involving acquisition of immovable property under these regulations shall be subject to the applicable tax laws in India.-A.P. (DIR Series) Circular No. 38 dated November 20, 2014
- Prior approval of RBI is required to repatriate sale proceeds of immovable property outside India for persons who had acquired such property when he was resident in India or inherited from a person resident in India. - Section 6(5)

Acquisition / Transfer of property in India by an ICROI



- ICROI - Indian Citizen Resident Outside India
- PIOROI - Person of Indian Origin Resident Outside India
- R - Resident
- ROI - Resident outside India

Acquisition / Transfer of property in India by an PIOROI



- ICROI - Indian Citizen Resident Outside India
- PIOROI - Person of Indian Origin Resident Outside India
- R - Resident
- ROI - Resident outside India
- COI - Citizen of India

Investment in Immovable Properties

Repatriation under USD 1 millions scheme:

- Sale proceeds of residential property purchased by NRI / PIO to the extent of the original cost of immovable property in foreign exchange.
- Restricted to 2 such properties.
- Capital appreciation thereon can be credited to the NRO account and can be remitted out of NRO account upto USD 1 million per financial year.

Refund in case of non-allotment of flat / plot / cancellation of bookings / contracts:

- Refund together with interest (net of income tax) can be credited to NRE account provided:
 - ❑ the original payment was made out of NRE/FCNR account or remittance from outside India through normal banking channels; and
 - ❑ the authorised dealer is satisfied about the genuineness of the transaction.

Availing loan against security of immovable property

- Rupee loan against security of IP (other than AP, PL & FH) subject to following conditions:
 - ❑ Shall be utilized for borrower's personal requirements or for business purposes
 - ❑ Shall not be utilized for activities in which investment by NRI is prohibited (chit fund, nidhi company and AP, PL, FH or real estate business and trading in TDR)
 - ❑ Shall not be credited to NRE / FCNR / NRNR account of the borrower
 - ❑ Shall not be remitted outside India
 - ❑ Repayment out of foreign remittance or NRO / NRSR / NRNR / NRE / FCNR account or sale of shares or securities or immovable property

Availing loan for purchase of immovable property

- Housing loan to NRI or PIO/ROI for acquisition of a residential accommodation in India subject to following conditions:
 - ❑ Quantum of loans, margin money and repayment period shall be same as for housing loans to Resident.
 - ❑ Shall not be credit to NRE / FCNR / NRNR account
 - ❑ Fully secured by equitable mortgage of property proposed to be acquired and if required, by lien on the borrower's other asset in India
 - ❑ EMI and other charges to be paid by way of remittance or out of funds in NRE / FCNR / NRNR / NRO / NRSR account in India or rental income or by any 'relative' (as defined under sec. 6 of the Companies Act) in India by crediting the borrower's loan account through the bank account of such relative.
 - ❑ Rate of interest shall conform to RBI or NHB directives.

Investment under PIS

- Repatriable as well as Non-Repatriable basis (Schedule 3 of Notification No. 20)
- To be carried out through single Authorised Dealer (A.D.) but can be routed through a branch designated by A.D. - *[Source: FAQ for NRI - Trading Account issued by NSE on December 24, 2010]*
- NRI investor undertakes delivery based transactions
- Payments for purchase -
 - inward remittance; or
 - funds held in NRE / FCNR account - repatriation basis
 - funds held in NRE / FCNR / NRO / NRNR / NRSR account - non-repatriation basis
- Sale proceeds 'Net of Taxes' to be credited
 - NRE/FCNR/NRO account or remitted abroad - repatriation basis
 - NRO account - non-repatriation basis

Investment in securities other than shares or convertible debentures of an Indian Company (Schedule 5 of Notification No. 20)

- A Registered Foreign Portfolio Investor (RFPI) may purchase, on repatriation basis, either directly from the issuer or through a registered stock broker on a recognized Stock Exchange in India:
 - listed non-convertible debentures/ bonds issued by an Indian company
 - Dated Government securities/treasury bills
 - Units of domestic mutual funds
 - Commercial papers issued by an Indian company

Foreign Direct Investment Policy

- FDI framework is governed by FEMA as well as Consolidated FDI policy- CFDIP
- CFDIP is issued by Department of Industrial Policy & Promotion (DIPP), Ministry of Commerce
- CFDIP lays down the sectors in which FDI is allowed under Automatic Route or Approval Route and the Sectors which are prohibited for FDI
- FDI under Approval Route is governed by FIPB which is a part of Department of Economic Affairs, Ministry of Finance
- FIPB consists of Secretaries from various Ministries, such as Finance, DIPP, External Affairs, Depart of Commerce etc.
- In case of conflict with FDI Policy vis-à-vis FEMA , the FEMA notifications will prevail



FDI: Construction Sector

- Sector specific conditions:
 1. Restriction on minimum area to be developed under each project . For construction-development projects – 20,000 sq. mts.
 2. Restriction on minimum capitalization - USD 5 million to be brought within 6 months of commencement of business
 3. Investor permitted to exit on completion of the project or after development of trunk infrastructure
 4. Sale of undeveloped plots not permitted.
 5. The Indian investee company is responsible for obtaining all the necessary approvals.



FDI: Construction Sector

- The conditions at (1), (2) and (3) above will not apply to Hotels & Tourist resorts; Hospitals; Special Economic Zones (SEZs); Educational Institutions; Old Age Homes and Investment by NRIs.



FDI : E - Commerce Activity

- Discussion paper on E-commerce by Department of Industrial Promotion and Policy (DIPP) dated 7th January 2014 defines E-commerce as –

“Sale or purchase of goods and services conducted over network of computers or TV channels by methods specifically designed for the purpose”

- Types of E-commerce activities:

Business 2 Business (B2B) and Business 2 Consumer (B2C)



FDI : E - Commerce Activity (Contd...)

- FDI Policy guidelines for E-commerce activity:
 - covered under Automatic route with 100% equity cap.
 - E-commerce activities refer to the activity of buying and selling by a company through e-commerce platform.
 - Only B2B activity is allowed.
 - Retail Trading or B2C activity is prohibited.



FDI : E - Commerce Activity (Contd...)

- Types of Business models:

E-commerce business has evolved to give way to two types of business models viz. *Market Place Model* and *Inventory Based Model*.

- Market Place Model:

It provides platform for business transactions between buyers and sellers. It works as “facilitator” of e-commerce.

- Inventory Based Model:

In this model ownership of goods and services and market place vests with the e-commerce site.

Investment by NRI on non-repatriation basis (Schedule 4 of Notification No. 20)

- Shares or convertible debentures of an Indian Company without limit
- Payments for purchase:
 - by way of inward remittance through normal banking channels from abroad; or
 - out of funds held in NRE / FCNR / NRO / NRSR / NRNR account (except for resident of Nepal and Bhutan)
- Sale / maturity proceed shall be credited to:
 - NRSR account where purchase consideration was paid out of funds held in NRSR account
 - NRO or NRSR account where the purchase was paid out of inward remittance or funds held in NRE / FCNR / NRO / NRNR account.

Investment by NRI on non-repatriation basis (Schedule 4 of Notification No. 20)

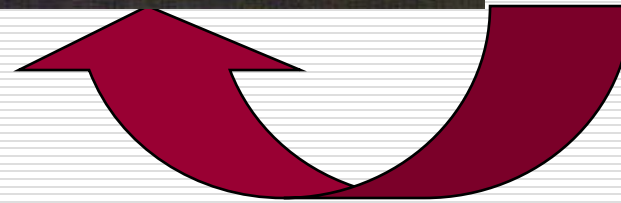
- Such investments and capital appreciation thereon shall not be allowed to be repatriated abroad.
- Prohibition on investment in shares or convertible debentures of the following:
 - ❑ Chit fund company
 - ❑ Nidhi company
 - ❑ Company engaged in agricultural / plantation activities
 - ❑ Company engaged in real estates business (excluding development of township, construction of residential / commercial premises, roads, bridges etc.)
 - ❑ Company engaged in construction of farm houses
 - ❑ Company engaged in dealing in TDR



Transfer from NRO to NRE A/c

- NRI shall be eligible to transfer funds from NRO Account to NRE Account
- overall ceiling of *USD one million per financial year* subject to payment of taxes.
- {A. P. (DIR Series) Circular No.117 dated May 07, 2012}
- 15 CA- CB is required
- Has reduced transaction cost

Overseas Direct Investments (ODI)





Liberalized Remittance Scheme (LRS)



LRS for Resident Individuals

- A resident individual (including minors) is allowed to remit up to USD 1,25,000 (w.e.f June 3, 2014) per financial year (April-March) for any permitted current or capital account transactions or a combination of both.
- With effect from July 7, 2013, the scheme is available for remittances for acquisition of immovable property directly or indirectly outside India
- The permissible transactions under this scheme include acquisition of shares- both listed and unlisted of an overseas company/ debt instrument/ mutual funds/ any other asset outside India, etc.
- For undertaking transactions under this Scheme, resident individuals may use the prescribed application-cum-declaration form. PAN number is mandatory to make remittances under the Scheme.



LRS for Resident Individuals

- The limit of USD 1,25,000 under the Scheme also includes remittances towards gift and donation by a resident individual.
- A resident individual is permitted to **gift in rupee to his NRI/PIO close relative** under the LRS and credit the same to his NRO A/c. [A.P.(DIR Series) Circular No.17 dated September 16, 2011]
- A.P. (DIR Series) Circular No. 90 dated March 06, 2012:
 - ❑ Remittances under the facility can be consolidated in respect of family members subject to individual family members complying with the terms and conditions of the scheme;
 - ❑ Remittances under the scheme can be used for purchasing objects of art subject to the provisions of other applicable laws such as the extant Foreign Trade Policy of the Government of India.



Meaning of ODI

- Investment by an Indian party, either under Automatic or Approval route, by way of contribution to capital or subscription to the MOA of foreign entity or by way of purchase of existing shares of foreign entity either by
 - *Investment through stock exchange; or*
 - *Private placement; or*
 - *Market purchase; or*
 - *Investment in a Joint Venture or Wholly Owned Subsidiary abroad.*
- But does not include Portfolio Investment.



Conditions for ODI- Automatic route

- The total financial commitment of the Indian party shall not exceed 400% of the total net worth of the party.
- Investment must be made in an overseas entity engaged in a *bonafide* business activity.
- Indian party must not be on the Reserve Bank's Exporters caution list.
- The Indian party must route all transactions relating to the investment in JV/WOS through only one branch of AD.



Net worth

- Net worth of the Indian Party is calculated as per the last audited balance sheet.
- In cases where the Indian entity is newly incorporated/formed, the net worth can be determined on the basis of net worth as on the date of investment.



Financial Commitment

- Financial Commitment means the amount of direct investments outside India by an Indian party -
 - By way of contribution to equity shares or CCPS of the JV/WOS abroad
 - Contribution to the JV/WOS as preference shares (for reporting to be treated as loan)
 - As loan to its JV/WOS abroad
 - 100% of the amount of corporate guarantee issued on behalf of its overseas JV/WOS and
 - 50% of the amount of performance guarantee issued on behalf of its overseas JV/WOS



Financial Commitment (Contd...)

- Bank guarantee/standby letter of credit issued by a resident bank on behalf of an overseas JV/WOS of the Indian party, which is backed by counter guarantee / collateral by the Indian party
- Creation of charge (pledge/mortgage/hypothecation) on the movable / immovable property or other financial assets Indian party / its group concern

(Note: the amount and period of guarantee should be specified upfront).



Overseas Investment – Resident Individuals

- ODI route introduced by FEMA 263 dated 05.08.2013 for resident individuals
 - JV/WOS to be engaged in bonafide business activities except real estate / banking / financial services
 - ODI in “non-co-operative countries and territories” as per FATF not permitted.
 - Resident individual not to be on RBI cautions list/defaulters list



Overseas Investment – Resident Individuals (Contd...)

- Limit of investment in JV/WOS as per LRS limit (currently USD 1,25,000 per annum).
- Investment made by EEFC/RFC account also included in prescribed LRS limit
- JV/WOS to be operating company – No step down subsidiary to be acquired or set up by JV/WOS
- Valuation as applicable to ODI by companies.
- Reporting and Post investment conditions – write off not permitted in cases of disinvestments.



ODI in Financial Services Sector

- Indian company in Financial Service Sectors can make investment in JV/WOS abroad in the financial services sector only if:
 - It has earned net profit during three preceding financial years from financial services sector
 - It is registered with appropriate regulatory authority in India
 - It has obtained approval for undertaking such activities
 - Has fulfilled the prudential norms relating to capital adequacy



ODI -

Core Investment Companies

- RBI DNBS Notification No. DNBS (PD) CC. No. 311/03.10.001/2012-13 dated 6th December 2012
- CICs desirous of making investment in Financial Service Sector (FS) are required to obtain and hold Certificate of Registration and comply with CIC framework for prior RBI approval (applies even to exempted CICs)
- Exempted CICs making overseas investment in non FS sector do not require registration or prior DNBS approval. Only reporting within 30 days to be done.



ESOP Purchases

- A person resident in India who is an individual can purchase equity shares offered by a foreign company under its ESOP schemes if he is an employee or director of an Indian office or branch or subsidiary of foreign company. (Regulation 22 (2) of Notification No. 120)
- A person resident in India may transfer by way of sale the shares acquired as stated above.
- Proceeds to be repatriated immediately on receipt thereof and in any case not later than 90 days from the date of sale of such securities.

Round Tripping

- Round tripping as a term is nowhere defined under FEMA, nor in any circulars issued by RBI.
- It refers to a strategy wherein an Overseas Entity is established for the sole purpose of routing funds back to India.
- A prerequisite for an inbound investment not to be regarded as a round tripping arrangement is that Outbound Investment made must be for bonafide business activities (Refer Regulation 6(2)(ii) of Notification No. FEMA.120/RB-2004)
- Recently, A.P. (DIR Series) Circular No. 41 dated November 25, 2014 was issued by RBI on Routing of funds raised abroad to India.

Questions ...



FIRST DESERVE

AND THEN

DESIRE

THANK YOU

