eBiz – A G2B Platform for Government of India

User Manual

- RBI - Submission of FC-TRS

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1 Introduction

Department of Industrial Policy and Promotion (DIPP), Government of India has envisioned eBiz Project to create a one-stop-shop of convenient and efficient online G2B services to the business community. This objective will be attained by reducing the complexity in obtaining information and services related to starting businesses in India, and in dealing with licenses and permits across the business life-cycle.

This document is intended to serve as a User Guide for **eBiz application** and present an overview of the online application system explaining the concepts and functionality of the same.

1.1 Submission of FC-TRS

Foreign investors can invest in Indian companies by purchasing / acquiring existing shares from Indian shareholders or from other non-resident shareholders. General permission has been granted to non-residents / NRIs for acquisition of shares by way of transfer in the following manner.

1. Transfer of shares by a Person resident outside India
   a. Non Resident to Non-Resident (Sale / Gift)
   Note: Transfer of shares from or by erstwhile OCBs would require prior approval of the Reserve Bank of India.
   b. NRI to NRI (Sale / Gift)
   c. Non Resident to Resident(Sale / Gift)
   Note: Transfer of shares from a Non Resident to Resident other than under SEBI regulations and where the FEMA pricing guidelines are not met would require the prior approval of the Reserve Bank of India.
2. Transfer of shares/convertible debentures from Resident to Person Resident outside India
3. Transfer of Shares by Resident which requires Government approval
4. Prior permission of the Reserve Bank in certain cases for acquisition / transfer of security
5. Escrow account for transfer of shares

Reporting of FDI for Transfer of shares route

i. The actual inflows and outflows on account of such transfer of shares shall be reported by the AD branch in the R-returns in the normal course.

ii. Reporting of transfer of shares between residents and non-residents and vice- versa is to be made in Form FC-TRS. The Form FC-TRS should be submitted to the AD Category – I bank, within 60 days from the date of receipt of the amount of consideration. The onus of submission of the Form FC-TRS within the given timeframe would be on the transferor / transferee, resident in India.

iii. The sale consideration in respect of equity instruments purchased by a person resident outside India, remitted into India through normal banking channels, shall be subjected to a KYC check (Annex 9-ii) by the remittance receiving AD Category – I bank at the time of receipt of funds. In case, the remittance receiving AD Category – I bank is different from the AD Category - I bank

handling the transfer transaction, the KYC check should be carried out by the remittance receiving bank and the KYC report be submitted by the customer to the AD Category – I bank carrying out the transaction along with the Form FC-TRS.

iv.   The AD bank should scrutinize the transactions and on being satisfied about the transactions should certify the form FC-TRS as being in order.

v.   The transferee/his duly appointed agent should approach the investee company to record the transfer in their books along with the certificate in the Form FC-TRS from the AD branch that the remittances have been received by the transferor/payment has been made by the transferee. On receipt of the certificate from the AD, the company may record the transfer in its books.

In case of transfer of shares by way of sale from resident to non-resident/ non-resident to resident, the resident transferor / transferee / Investee Company/ NRI transferor / Non Resident transferor should file FC-TRS within 60 days from receipt of funds
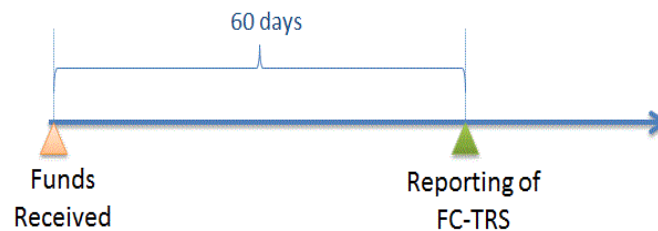
Figure 2: Timelines for Reporting FC-TRS

In terms of Section 2 (ze) of Foreign Exchange Management Act, 1999 "Transfer" includes sale, purchase, exchange, mortgage, pledge, gift, loan or any other form of transfer of right, title, possession or lien.

Please click on the link "Master Circular for Foreign Investment in India" for further information on Foreign Investments in India issued by RBI

Payment Details:-

There are no payments to be made to RBI for submission of FC-TRS. Applicant is required to pay a nominal eBiz transaction fee (Rs.30/-) while submitting the application form online through eBiz portal.

Invocation Frequency:-

Applicant can apply for Submission of FC-TRS at any time of the year.

2 Users

The following are users and their roles in eBiz application:

Users	Responsibilities
Business User	• Register on eBiz portal • Submit application • Make Payment • Provide clarification sought by the department • View status updates sent by department
AD Bank User	• Process the application • Forward to RBI RO • Raise objection if required • Update status • Issue certificate
Department User	• Process the application • Raise objection if required • Provide approval • Update status

3 Applicant Activities

3.1 Prerequisites for filling the application

3.1.1 Digital signature

Digital signature is required for the authenticity of the filled application. The user who wants to apply for any service for RBI through eBiz portal must have a valid digital signature. After filling the application form the user needs to apply the digital signature on the application form. An application will be considered invalid if it will not be digitally signed.

In case of you need to know that 'How to procure for digital signature'. Kindly refer the links given below.

https://onlinetenders.co.in/Digital_Certficate_Procedure.pdf

http://www.digitalsignatureindia.com/

3.1.2 In case of online payment

The user needs to have an **Account with Central Bank of India** for the payment of service fee.

3.1.3 In case of offline payment

The user has to go to the nearest **branch of Central Bank of India** along with the print out of the Challan/Receipt which he gets while filling the online application and deposit the required amount in the bank.

3.2 Information to be kept ready before filing application

3.2.1 Submission of FC-TRS with RBI:

- PAN of the Indian company
- Details of the Indian company – name, address, contact details
- Main business activity as per NIC 2008 series
- Investment under approval or automatic route and its details
- Nature of transaction
- Buyer details – name, address, contact details, constitution, date and place of incorporation
- Seller details – name, address, contact details, constitution, date and place of incorporation
- Earlier FIPB / RBI approval if any
- Details regarding shares / compulsorily and mandatorily convertible preference shares (CMCPS) / compulsorily and mandatorily convertible debentures/ others (such as FDI compliant instruments like participating interest rights in oil fields, etc.) to be transferred – mode of transfer, type of security transferred
- Details where the equity shares / CMCPS / CMCDS / others are listed on Stock Exchange

- Details of foreign investment in the company before and after the transfer
- Certificate indicating fair value of shares from a Chartered Accountant / SEBI registered Category I Merchant Banker.
- Copy of Broker's note if sale/ purchase is made on Stock Exchange.
- Declaration from the NR buyer to the effect that he is eligible to acquire shares / compulsorily and mandatorily convertible preference shares / debentures/others under FDI policy and the existing sectoral limits and conditionality (such as minimum capitalization norms, etc) and Pricing Guidelines have been complied with
- Declaration from the FII/sub account to the effect that the individual FII / Sub account ceiling as prescribed has not been breached

- Extracts of Share Purchase Agreement (SPA) containing:
    - o Name of the buyer and seller
    - o Name of the investee company
    - o No. of shares to be transferred
    - o Price at which they are transferred
    - o Mode of transfer
    - o Date of transfer
    - o Any other relevant information
- If the sellers are NRIs/ erstwhile OCBs, the copies of RBI approvals, if applicable, evidencing the shares held by them on repatriation/non-repatriation basis
- No Objection/Tax Clearance Certificate from Income Tax Authority/ Chartered Accountant
- Approval letter from RBI / FIPB
- Power of attorney (if signatory is agent)

3.3 Applicant Registration on eBiz Portal

In order to use any of the service through eBiz portal a valid credential is required. To get the credential one has to register on the ebiz portal. There are two kinds of registration a user has to do on the eBiz portal as

1. Individual
2. Business

3.3.1 Steps for Individual Registration

1. **On the eBiz portal homepage (**https://www.ebiz.gov.in/home**), click on the New User 'Register' button.**

2. Click on the 'Continue' Button in Individual Member Registration section.

3. Enter your details to create your individual membership. Fields marked with * are mandatory.

4. **Choose 'User id' and 'Password' using the directions provided. Click on the 'Check Availability' button to choose the available user name. Click on 'Next' button. Fields marked with * are mandatory. Please make a note of your user name and password for the future use.**

5. **Enter the letters given in the image. Click on 'Reload' button to get the new image if current image is not working. Click on the 'check box' to accept the term & condition. Click on 'Submit' button.**

6. **Click on 'Ok' button on the confirmation page for Successfully Registration.**

3.3.2 Steps for Business Registration

1. **On the eBiz portal homepage (**https://www.ebiz.gov.in/home**), click on the New User or Business 'Register' button.**

2. **Enter your 'User Id' and 'Password' which you have created while registering as individual and click on 'Login' button to create a Business Membership.**
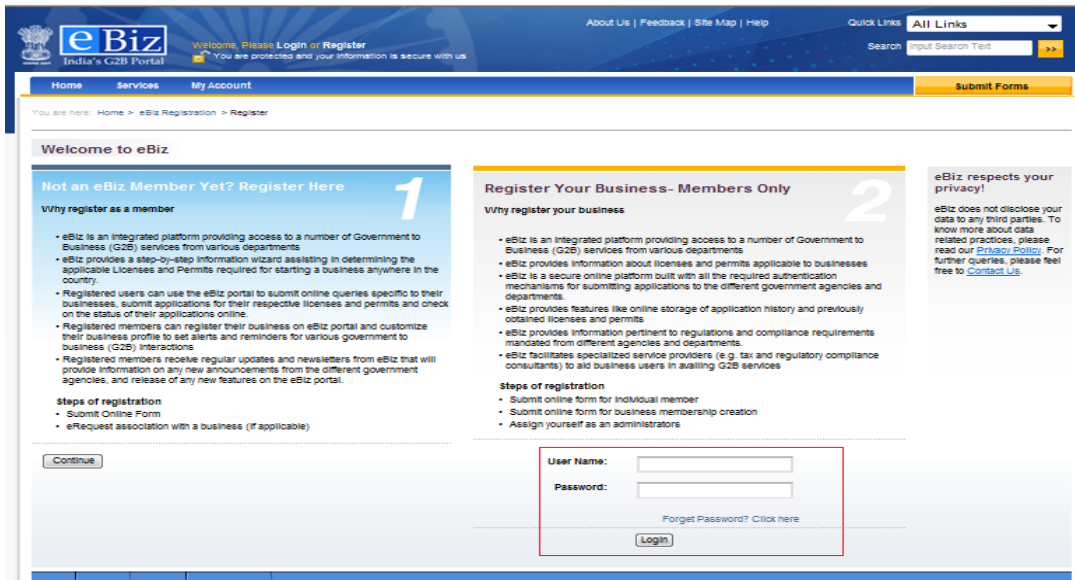
3. **Enter the details of your organization and click on 'Next' button.**

4. **Click on the 'check box' for digital signature. Enter the letters given in the image. Click on the 'check box' to accept the terms & conditions. Click on 'Submit' button.**

5. **Click on 'Ok' button on the confirmation page for Successfully Registration**

4 Steps for Submission of FC-TRS to RBI

1. User opens the ebiz portal http://ebiz.gov.in/home and enters credentials if already registered as a member. If user is not a registered member, then user gets registered on eBiz portal.

2. Click on 'Services' tab and click on 'Reporting of FC-TRS' in 'Pan-India Services' category.

India's G2B Portal

3. If user is applying for the first time, click on first button under "Download Forms" section to download an empty form as shown in the figure below. Else, user clicks on second download button besides the highlighted one to download a prefilled form. User can edit the prefilled information in the form.

4. User fills the form on their local machine and saves it. The instruction manual to fill the form can be downloaded from the "download forms" section as highlighted in the figure below.

5. To upload the filled form, user clicks on '**My Account**' tab → '**Upload and Submit forms**' (on left hand side) followed by 'Submit forms' (on right hand side top corner). User selects appropriate data for "Region", "Service Name", and "Organization Name" from the respective drop downs, browses the form and selected the appropriate file. User clicks on "Upload" button to upload the form.

6. On successful upload of the form, user is displayed the respective License and eBiz Service fee on the Confirm Invoice screen. User will enter their Name and Address under the billing information section to proceed with payment.

7. On clicking "proceed" button, user is taken to the payment gateway page. Select from the dropdown the payment mode and choose your bank and click on pay. As of now, only Central Bank of India is available as option.
    Please refer to section on "Steps for online payment" or "Steps for offline payment" to view the steps required for payment.

8. User can check the status of the submitted application by selecting status in the left menu, just below the My Account option.

9. In case the application status is changed to – "initial payment pending", the payment processing has halted abruptly. Please click on the status link and proceed with the payment. The status will change to "submitted" after payment is processed.

10. To view the history of the application, user can click on "Status" option in left menu and then click on application number link. This provides the audit trail of that application.

Audit Trail

Application Code	AI1891
Organization	delhi infy
Region	Central
Service	Submission of FC-TRS Central

Date ▽	Action Taken	User Name	Organization	Comments
12-OCT-2014 09:58	Submitted	Avneet	delhi infy	View Comments
12-OCT-2014 10:03	Application Approved	Department User	Department	View Comments

Back

11. Under Audit Trail, on clicking on the "View Comments" link, the applicant will be able to view the Payment Details and Comments.

Request Summary

Comments: Service has been applied successfully and your application has been delivered to the relevant department for further processing.

Your Service Request number is AI1891
Please submit the physical documents to the following address

SBI, Jaipur ,
SBI, Jaipur,India.

Download attachment: 📎 abc4filled.pdf

Total Amount:30
PaymentDetails

ITEM	SERVICE_TAX	AMOUNT
eBiz Services Fee	0	30

5   Steps for Online Payment

1. After upload and submit of form, user will be asked to proceed to payment. "**Payment Gateway Page**" will be displayed in to the right panel. User will have to "**Select the payment mode**" and "**Select the Bank**" and click on "**Pay**" button.
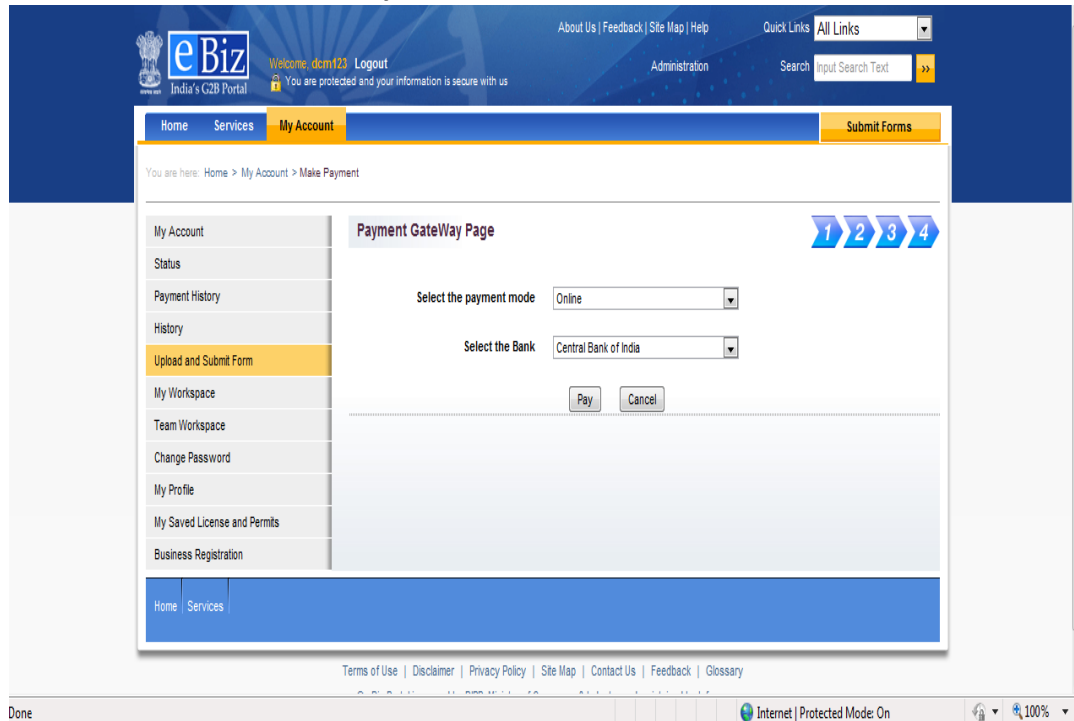
2. "**Pop Up**" message will be displayed to the user for redirecting to the bank site.
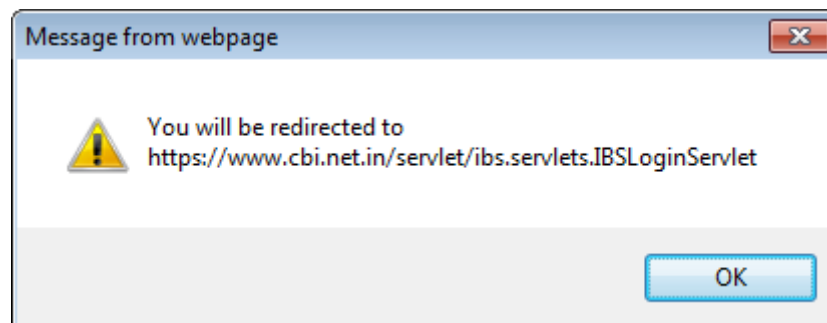
3. User will have to click on "**Personal**" button.
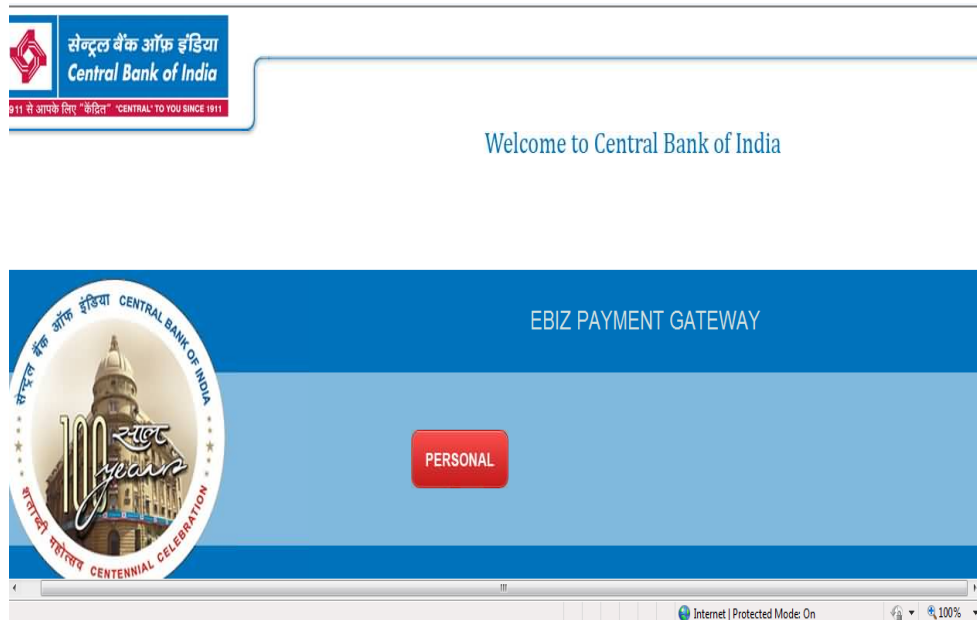
4. Ebiz Payment gateway page will be displayed
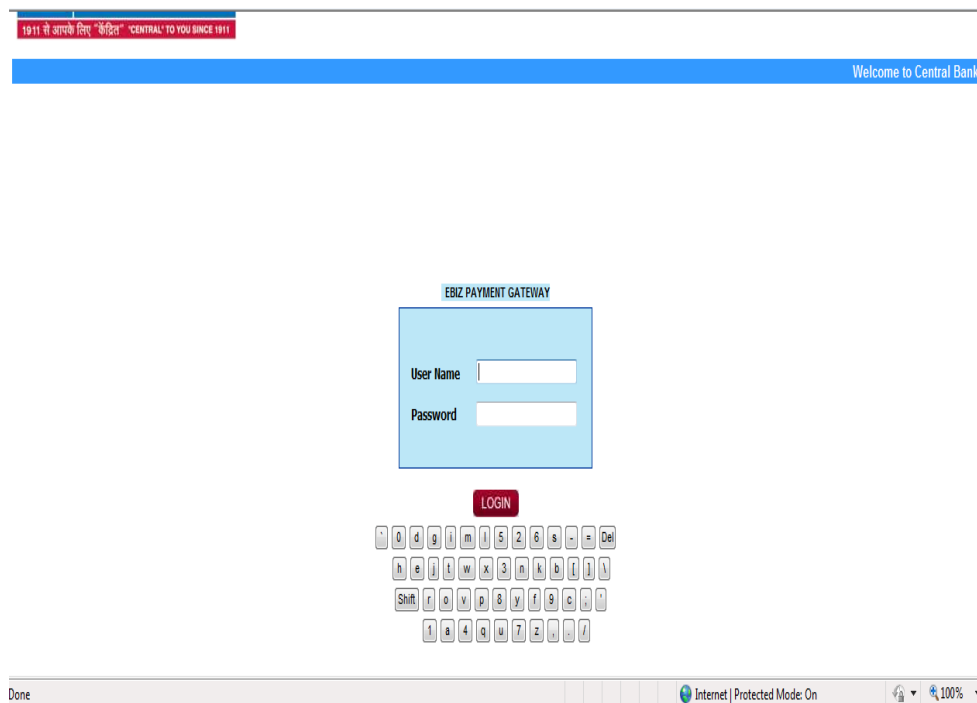
5. User has to enter his credential i.e. "**User Name**" and "**Password**" for making the online payment on the "**EBIZ PAYMENT GATEWAY**".
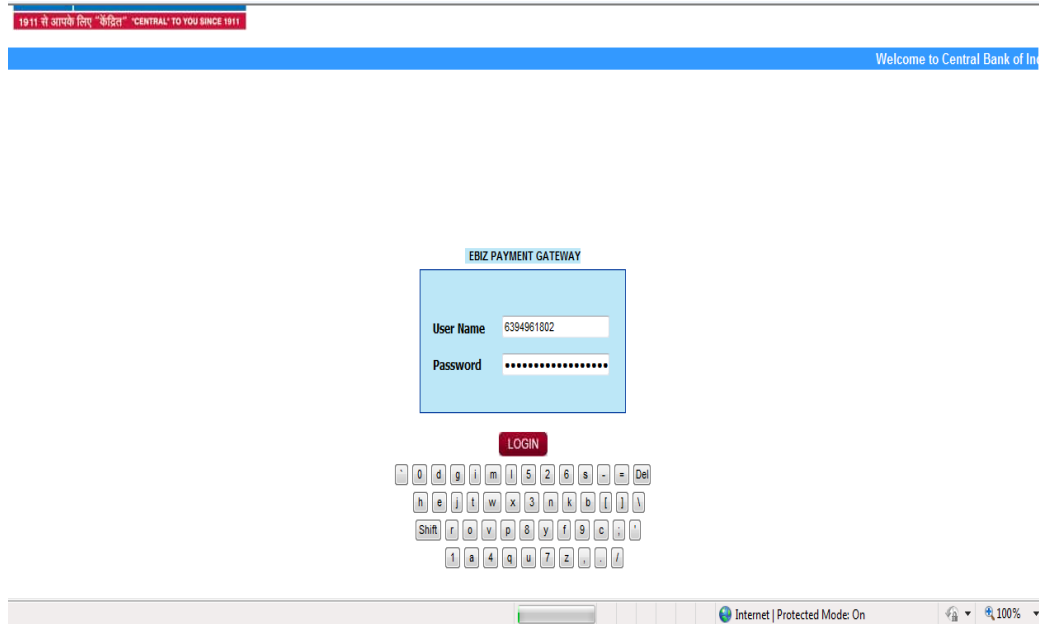
6. "Payment confirmation" page will be displayed. User will click on "**Confirm**" Button.
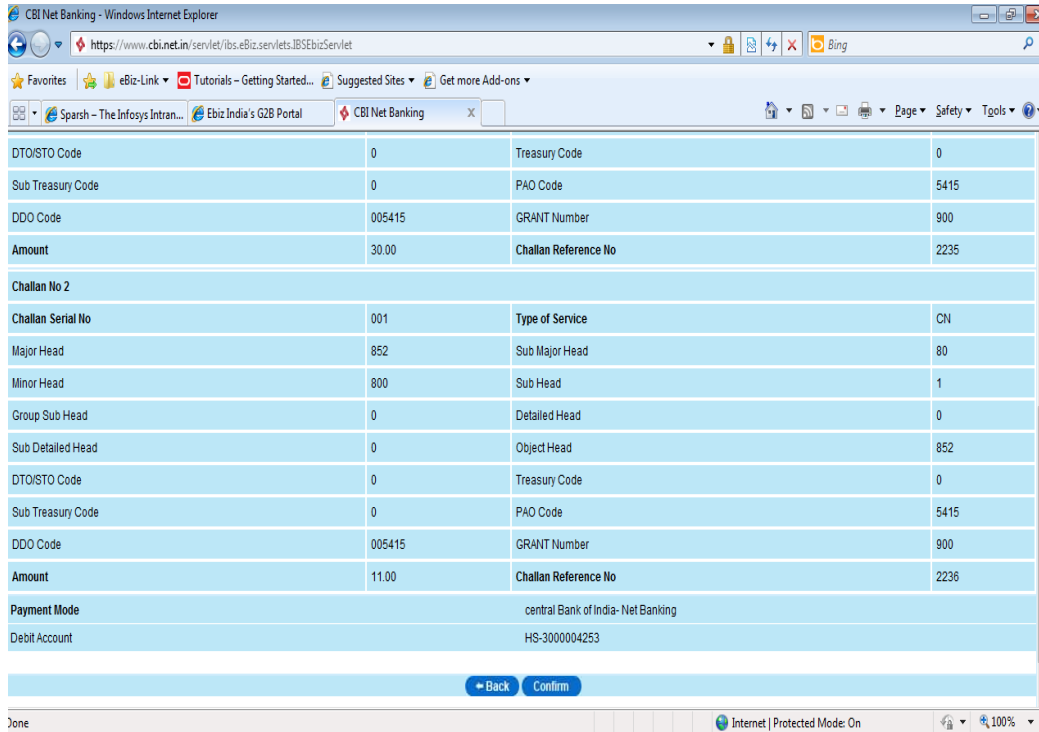
7. Click on "**Return to Ebiz**" link for returning to Ebiz portal again. User can also "**Save**" or "**Print**" the below receipt for the future reference.

8. Click on "**Return to Ebiz**" link. User will be redirected to Ebiz Portal.
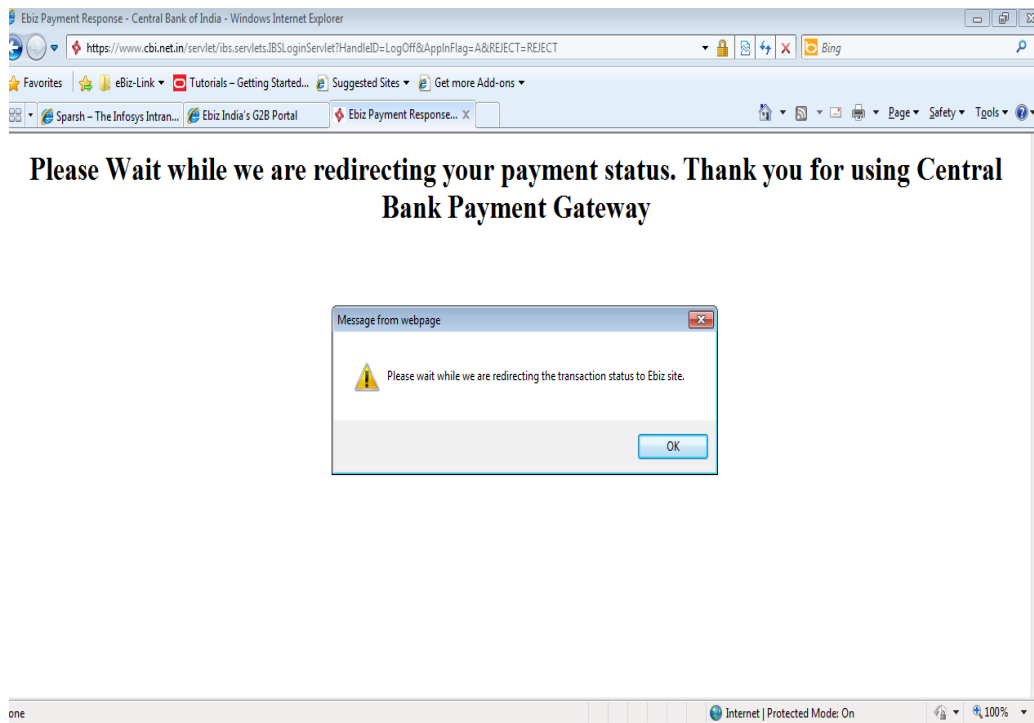
9. Online Payment Solution Process Completed and the User will be able to see eBiz Payment Receipt.
   User can see the same under **'Payment History'** tab on the left hand side of the eBiz page.

6 Steps for Offline Payment

1. "**Payment Gateway Page**" will be displayed. User will have to "Select the payment mode"-offline- and "Select the Bank" and click on "Pay" button.
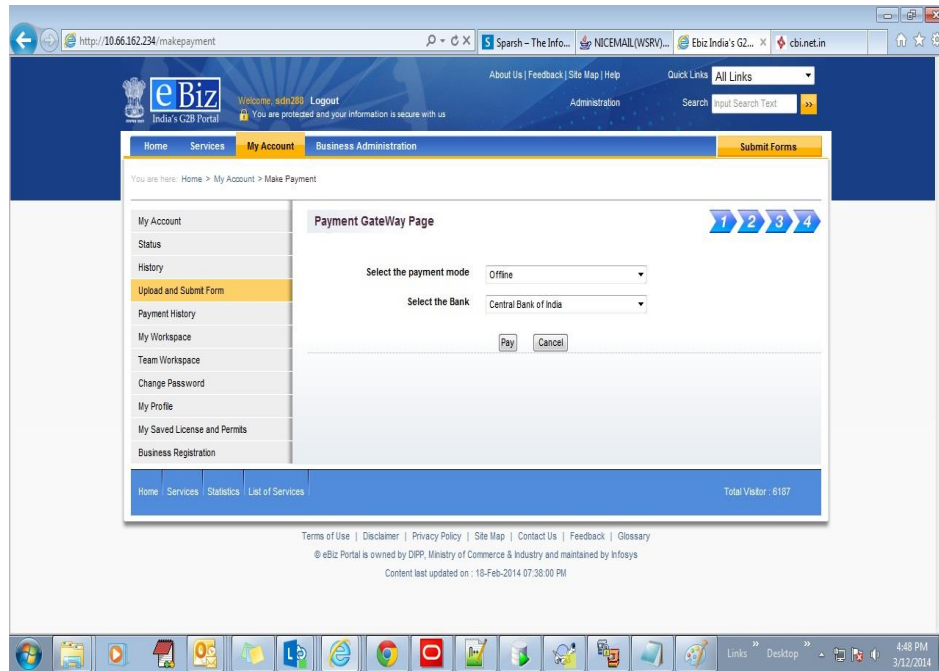
2. User will be redirect to 'eBiz Payment Acknowledgement Receipt' page.
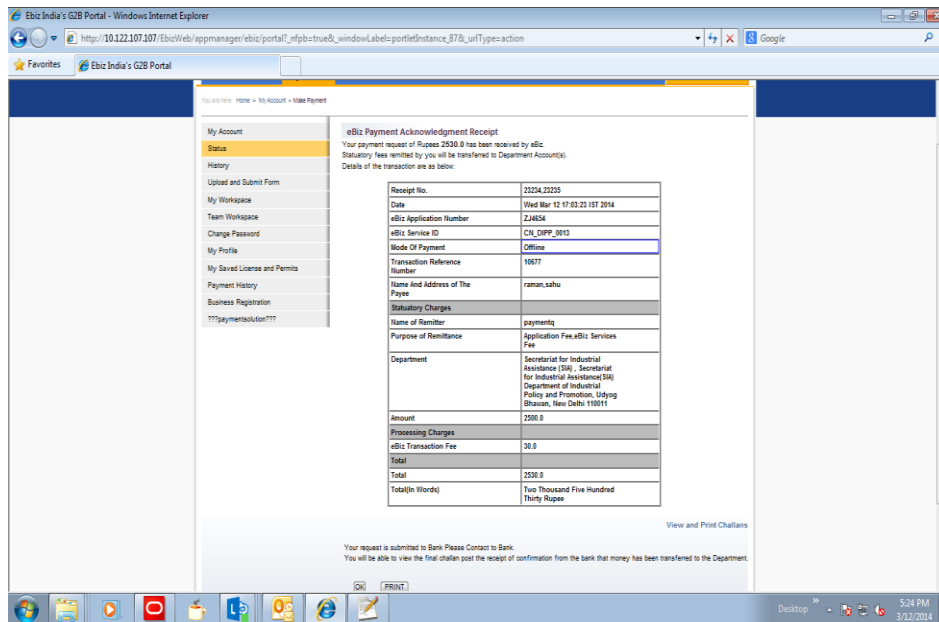
3. User can take the print out of challan and 'eBiz Payment Acknowledgement receipt' by clicking on the link 'V*iew and Print Challans*' or by clicking in the print button. The print out of the *challan and 'eBiz Payment Acknowledgement receipt'* will be required once user will visit branch of Central Bank of India for *clearance of the due payment*.
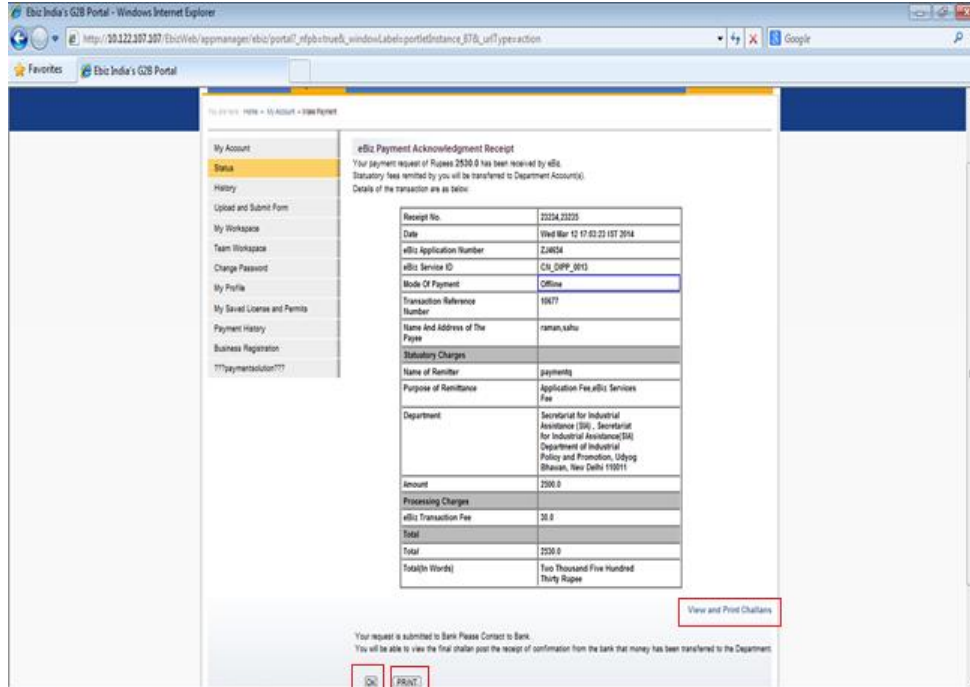
4. Once the payment is made at Central Bank Branch, *the offline payment process will be completed*. User can verify the status of his application by clicking on the payment history link from the left panel. Use the '*Refresh*' button to get the latest status of the application.
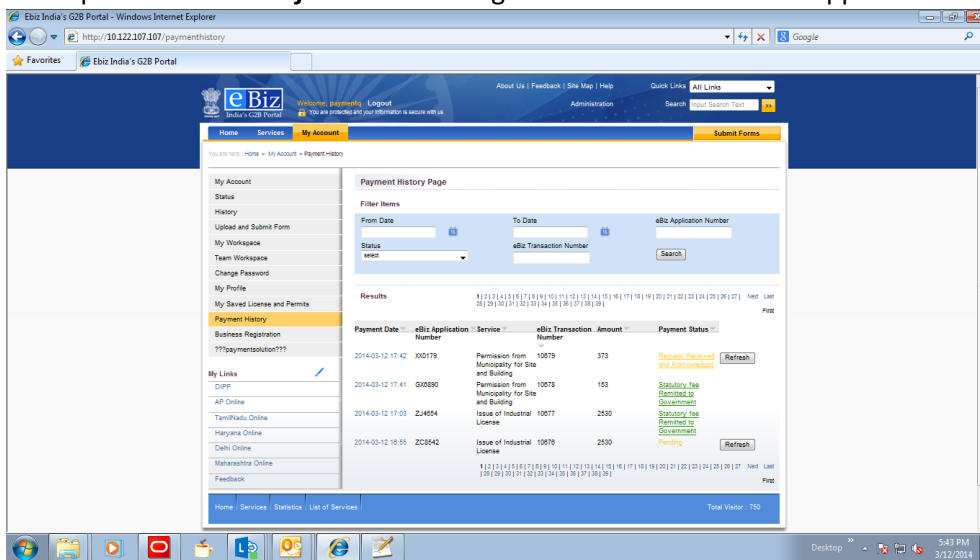
7 Processing of the Application – Approval or Rejection

7.1 Process Flow for approval or rejection of application

Central – RBI – FC - TRS – Form Submission & Processing for approval

Legend: System Activity | Manual Activity | Reporting platform
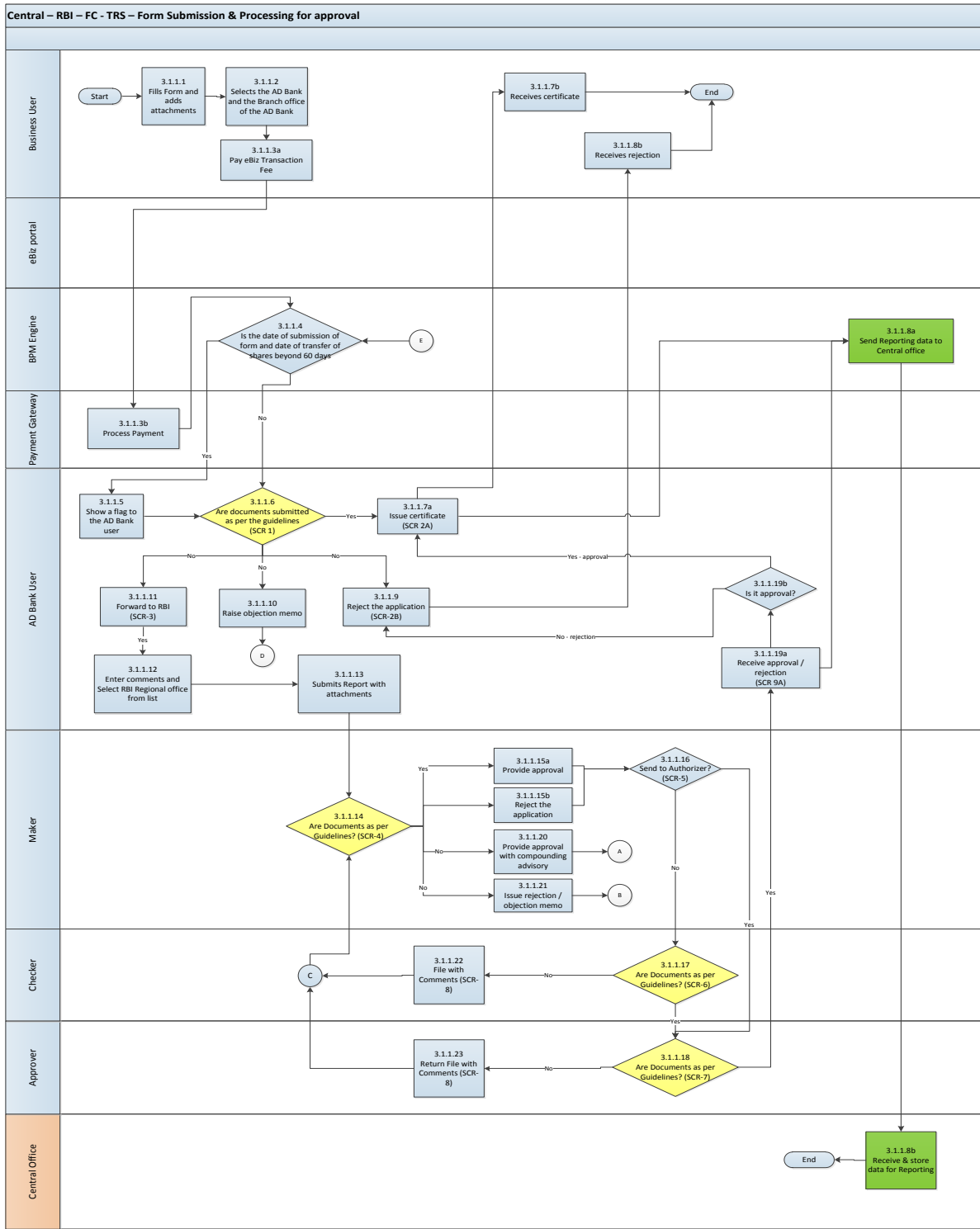
7.2 Steps to process the application for approval / rejection

1. AD Bank user opens the department portal and enters credentials.

2. User is able to view their inbox. The application submitted by applicant is visible under work items.

3. User can click on the Payment details link to view the payment details related to the application.

4. User can click on the "attachments" link to view the application form submitted by the applicant.

Attachments

eBizReference Number :   HI3497

Document Uploaded by Business User

Document Name	Uploaded On	Uploaded By
final1filledTRS.pdf	Oct 10,05:26 PM	sanchitgupta

5. AD Bank user clicks on "Action by AD Bank" link under Actions. If the application is in order, AD Bank can select the option to issue certificate. If it is a case where filing of FC-TRS is not applicable, they can select the option to reject the application (move to step 7).

6. If the form is in order and AD bank user has selected an option to issue certificate, they receive a task to "issue certificate". The certificate is uploaded on the portal and sent to the applicant. The applicant receives the same.

7. If AD Bank selects the option to reject the application, they receive a task to "Add rejection comments". AD Bank enters rejections comments.

8. If the form is submitted beyond the stipulated 60 days, AD Bank may forward the application to RBI RO for regularization.

9. AD Bank receives a task to "Forward to RBI". AD Bank selects the RBI RO and enters comments.

10. RBI RO Maker logs in the department portal to view their inbox. Application submitted by AD Bank is visible under work items.
11. Maker receives the activity to "Verify Application". Maker will verify application and attached documents under "Attachments" section.
12. Maker clicks on "Verify Application" to enter comments and select action.

13. Maker selects any of the options shown in the above screen. If maker selects options to provide approval or rejection, move to next step. If maker selects option to raise objection memo, move to section on the same. If maker selects option to issue compounding advisory, move to next section.

14. Maker can enter comments and click on next. Maker will receive a task to forward the application.

15. Checker receives a task to "Verify application". Checker can either forward to authorizer or send the file back with comments.

Verify Report

Name of Applicant: a

Recomended Action: |

Is the Report and Documents as per guidelines?

◉ Yes - Forward to Authorizer

○ No - Send back file

Submit   **Close**

16. Authorizer receives an activity with action link "Verify application". Authorizer verifies application and if application is in order approves the application to be forwarded to AD Bank or sends back the file to maker with comments.
All the notes given by the previous users are visible under "Notes" section in "Work Item Detail".

Verify Report

Name of Applicant: a

Recomended Action:

Is the Report and Documents as per guidelines?

◉ Yes - Forward to Ad Bank

○ No - Send back file

Submit   Close

17. AD Bank receives the approval or rejection forwarded by the RBI RO. Based on the action recommended by RBI RO, AD Bank selects the required action. If AD Bank selects option – issue certificate, move to step 6.If AD Bank selects option – reject application, move to step 7.

8 Processing of the Application – Compounding Advisory

8.1 Process Flow for issuing compounding advisory
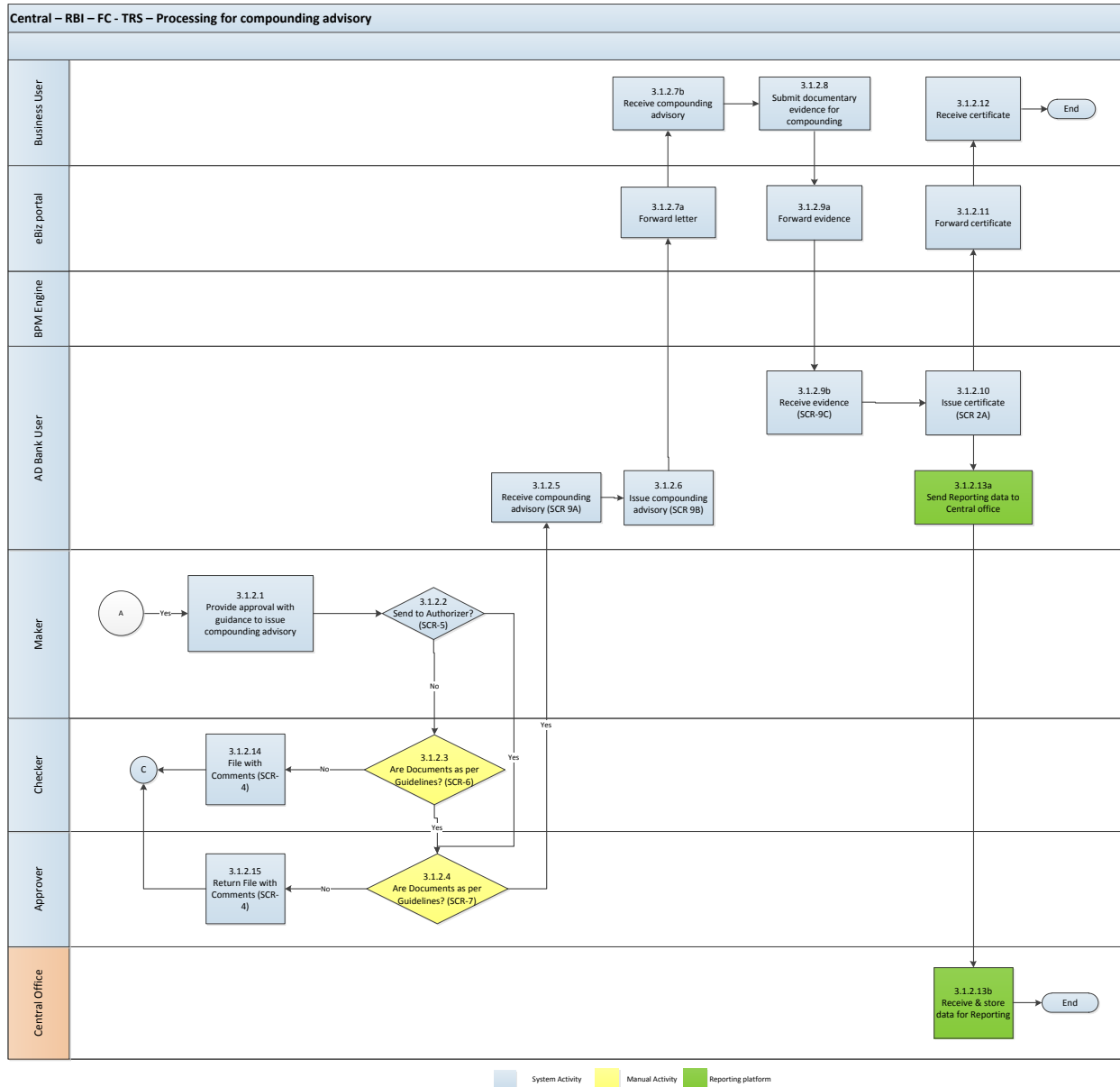
8.2 Steps for issuing compounding advisory

1. If the application does not conform to guidelines, RBI can issue approval with notification to AD Bank to raise a compounding advisory. Maker will select the option to provide approval and raise compounding advisory in the activity "Verify Application"

Verify Report

Name of Applicant:	a
Maker Comments:	issue in submission
Checker Comments:	
Authorizer Comments:	

Is the Report and Documents as per guidelines?

- ○ Yes - Provide approval for the transaction
- ◉ Yes - Provide approval and issue compounding advisory
- ○ No - Reject the application
- ○ No - Raise objection memo

2. Maker can enter comments and click on next. Maker will receive a task to forward the application.

Forward the application

Name of Applicant: a

Recomended Action:

Where do tou want to send the application for approval?

- ◉ Send to checker for verification
- ○ Send directly to authorizer for authorization

Submit   Cancel

3. Checker receives a task to "Verify application". Checker can either forward to authorizer or send the file back with comments.

4. Authorizer receives an activity with action link "Verify application". Authorizer verifies application and if application is in order approves the application to be forwarded to AD Bank or sends back the file to maker with comments.
   All the notes given by the previous users are visible under "Notes" section in "Work Item Detail".

5. AD Bank receives the approval or rejection forwarded by the RBI RO. Based on the action recommended by RBI RO, AD Bank selects the required action.

6. AD Bank receives an activity to "Issue compounding notice" in their inbox. They can upload the letter and mention the date of letter.
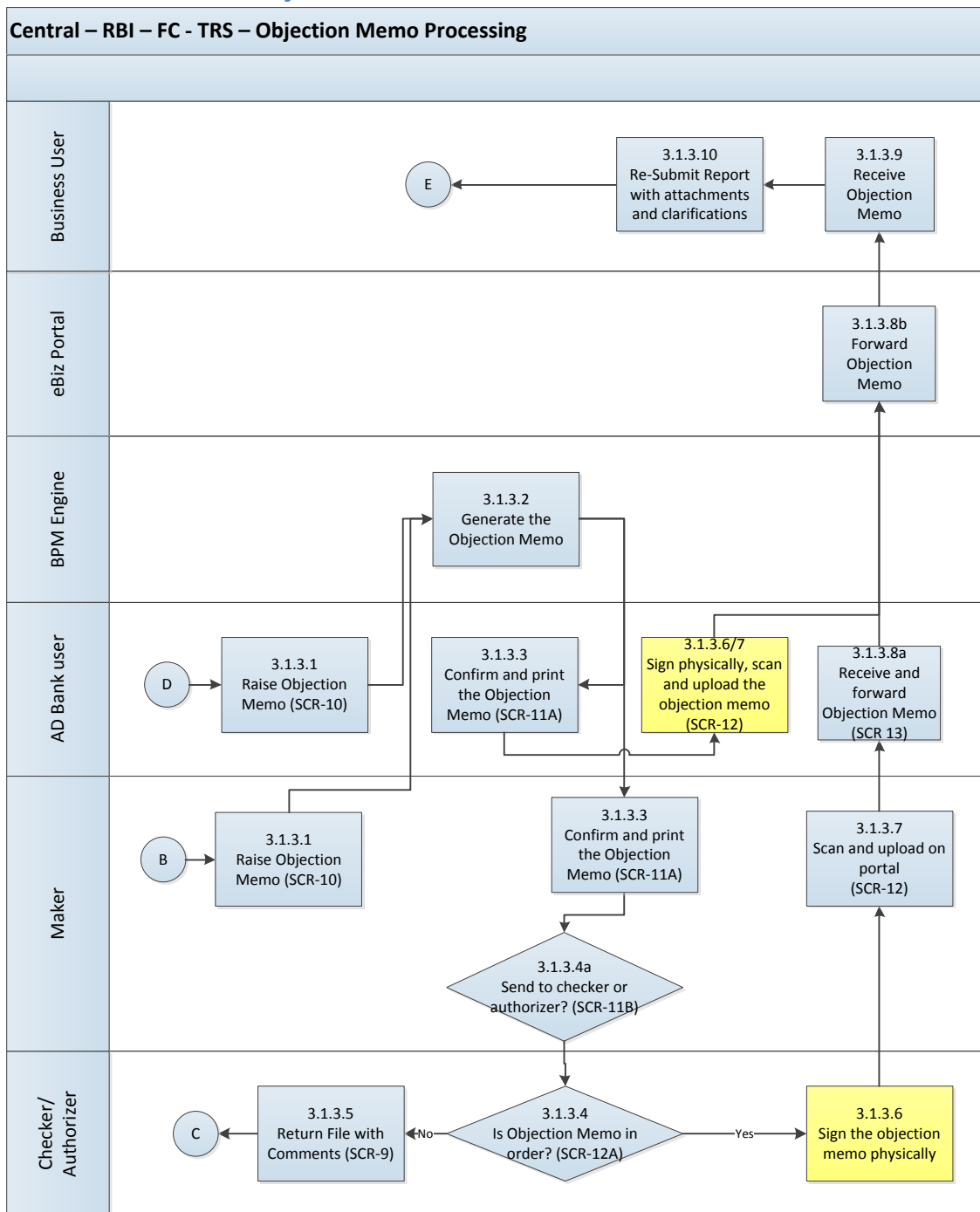

7. Applicant completes the guidelines as mentioned in the compounding notice and submits documentary evidence on the portal.

8. AD Bank receives the documentary evidence with respect to filing of compounding application from applicant. User clicks on "verify compounding closure" activity and views the letter sent by applicant. AD Bank user issues certificate. Move to step 6.

9 Processing of the Application – Raise Objection Memo

9.1 Process Flow for objection memo

Central – RBI – FC - TRS – Objection Memo Processing

Business User

3.1.3.10
Re-Submit Report with attachments and clarifications

E

3.1.3.9
Receive Objection Memo

eBiz Portal

3.1.3.8b
Forward Objection Memo

BPM Engine

3.1.3.2
Generate the Objection Memo

AD Bank user

D

3.1.3.1
Raise Objection Memo (SCR-10)

3.1.3.3
Confirm and print the Objection Memo (SCR-11A)

3.1.3.6/7
Sign physically, scan and upload the objection memo (SCR-12)

3.1.3.8a
Receive and forward Objection Memo (SCR 13)

Maker

B

3.1.3.1
Raise Objection Memo (SCR-10)

3.1.3.3
Confirm and print the Objection Memo (SCR-11A)

3.1.3.7
Scan and upload on portal (SCR-12)

3.1.3.4a
Send to checker or authorizer? (SCR-11B)

Checker/ Authorizer

C

3.1.3.5
Return File with Comments (SCR-9)

No

3.1.3.4
Is Objection Memo in order? (SCR-12A)

Yes

3.1.3.6
Sign the objection memo physically

9.2 Steps to raise objection memo

1. AD Bank receives the application and scrutinizes it. AD Bank user receives an activity for "Action by AD Bank". If there are shortfalls, AD Bank selects the option to raise objection memo and receives an activity to "Enter obj memo comments". Move to step 3.

2. Maker can also choose to raise an objection memo if there are shortfalls in the application. They receive an activity to "Enter obj memo comments".

3. System will generate the objection memo in specified template in which the above comments will be inserted. AD Bank user / Maker will print the same. The objection memo is visible under the attachments section. For AD Bank user, move to step 6.

4. Maker will select to forward the objection memo to checker or authorizer.

5. Checker / authorizer will sign the objection memo. They can forward it to maker or send the file back with comments.

6. Maker / AD Bank user will scan and upload the objection memo in the activity "Upload obj memo".

7. If maker is raising the objection memo, it will be forwarded to AD Bank and AD Bank can forward it to applicant.

9.3 Resubmission by Applicant

1. If the AD Bank user or RBI RO user raises an objection memo, application will be redirected to the applicant for resubmission. The status will be changed to "Resubmission required"

2. On clicking the status, applicant can view objection memo sent by AD Bank / RBI RO.

3. Applicant can make the required changes in the form and save it. They will click on the "Resubmit" button under comments. They can upload the revised form.

4. The status of the application will change to "Resubmission complete"

Status of Submitted Applications

Filter Items

Organization
select

Region
select

Submission Date

Service
select

Go   Refresh

Results

First **1** | 2 | Next Last

Application	Organization	Service	Region	Submission Date	Submitted By	Status
BD6804	delhi infy	Reporting of Advance Foreign Remittance	Central	10-Oct-2014 14:46	avneet11	Resubmission Complete
HI5750	delhi infy	Submission of FC-TRS Central	Central	09-Oct-2014 15:27	avneet11	Resubmission Complete
PS7022	delhi infy	Submission of FC-TRS Central	Central	09-Oct-2014 15:15	avneet11	Resubmission Complete
EB9986	delhi infy	Submission of FC-TRS Central	Central	09-Oct-2014 14:20	avneet11	Resubmission Complete
DZ7349	delhi infy	Submission of FC-TRS Central	Central	09-Oct-2014 14:15	avneet11	Submitted

First **1** | 2 | Next Last

10 Contact Us

Call us: +91-9840631429

Email us: ebizsupport-lndc@nic.in

End of Document