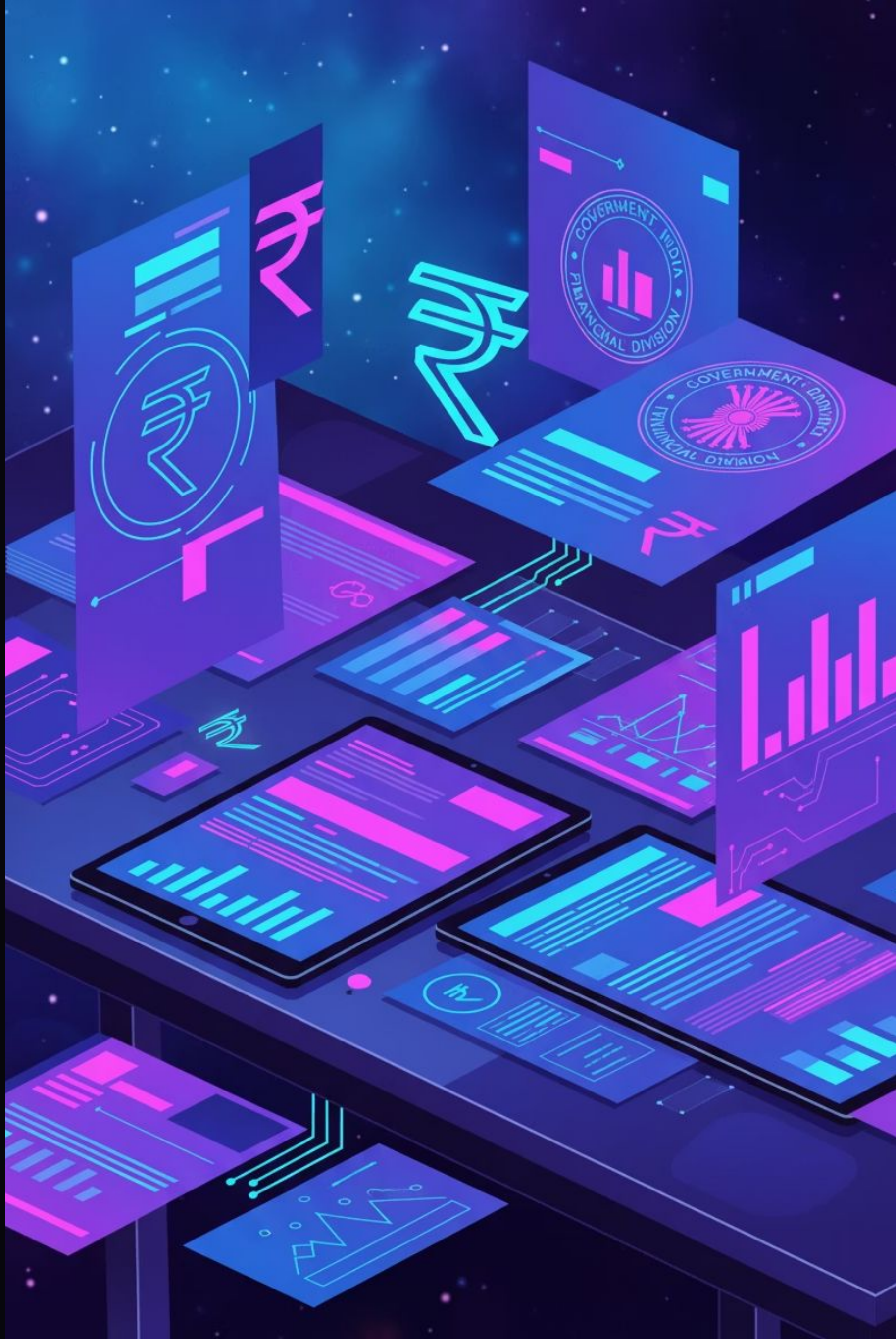
FC-GPR and FC-TRS: The FEMA Clock That Starts the Day Your Round Closes

How Indian startups report foreign investment to the Reserve Bank of India within 30 and 60 days.

A S Banka Advisors Private Limited. Cross-Border Advisory for Indian startups.

FEMA REPORTING | FDI | FIRMS PORTAL | STARTUP FUNDRAISING



Two Forms, Two Clocks

When a person resident outside India puts money into your Indian company, the RBI wants a record of it. Two forms carry that record.

FC-GPR

Reports the fresh issue of equity instruments to a foreign investor.

FC-TRS

Reports the transfer of shares between a resident and a non-resident, in either direction.

Both are filed on the RBI FIRMS portal through the Single Master Form. Neither is optional, and both are time bound.

FC-GPR

File Within 30 Days

Regulation 4(1) of the FEM (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 requires an Indian company that issues equity instruments to a person resident outside India to report the issue in Form FC-GPR not later than thirty days from the date of issue.

> **The 30 days runs from the date the shares are allotted,** not the date the money landed in your account.

A related clock: shares must be allotted within 60 days of receiving the funds.

FC-TRS

File Within 60 Days

Regulation 4(3) covers a transfer of equity instruments between a person resident in India and a person resident outside India, whether the shares move in or out.

Form FC-TRS is filed within sixty days of the transfer, or of the receipt or remittance of funds, whichever is earlier.

> The reporting onus sits with the **resident party** to the transfer. Secondary sales, founder exits to a foreign buyer, and buybacks across the border all trigger it.

FDI Reporting Deadlines at a Glance

Event	Form	Deadline	Regulation
Fresh issue of shares to a foreign investor	FC-GPR	Within 30 days of allotment	Regulation 4(1)
Transfer between a resident and a non-resident	FC-TRS	Within 60 days of the transfer or funds movement, whichever is earlier	Regulation 4(3)
Allotment of shares after receiving foreign funds	N/A	Within 60 days	FEMA 395/2019-RB
Annual foreign liabilities and assets	FLA	By 15 July every year	FEMA 1999

How the Filing Actually Works

The reporting lives on FIRMS, the RBI Foreign Investment Reporting and Management System.

01

Entity Master Registration

A one-time registration for your company on the FIRMS portal.

02

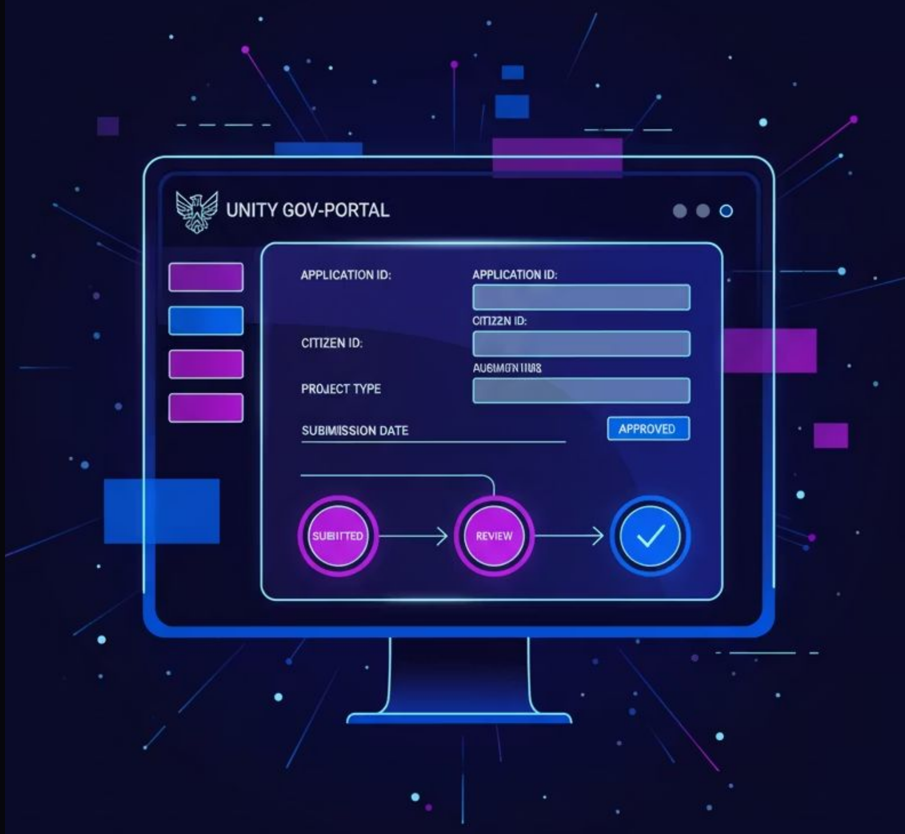
Single Master Form

FC-GPR and FC-TRS are filed at transaction level through this unified form.

03

Authorised Dealer Bank Verification

Your authorised dealer bank then verifies and approves the filing. The clock is yours to meet; the bank does not file for you.



What Happens If You Miss the Deadline

A missed FEMA deadline is fixable, at a price. A delayed return is regularised by paying a Late Submission Fee.

The facility is available up to three years from the due date. Beyond that window, the only route left is compounding under FEMA, which is slower and costlier.

⚠ **Late Submission Fee Formula**

LSF = 7500 + 0.025 percent of the amount involved per year of delay

Total capped at 100 percent of the amount involved

Available up to three years from the due date

Why This Matters to You

FOUNDERS

Protect Your Next Round

An unfiled FC-GPR does not stay quiet. It surfaces in the next round's due diligence and stalls your term sheet at exactly the wrong moment.

FINANCE LEADS

Build It Into the Checklist

Build the 30 and 60 day clocks into the closing checklist, not into an afterthought weeks later.

INVESTORS

Signal Clean Compliance

A clean FIRMS record signals a company that treats compliance as routine, which is what a diligence team wants to see.

Your Post-Round FEMA Reporting Checklist

1

Entity Master

Confirm your Entity Master is registered on the FIRMS portal.

2

Allot Shares

Allot shares within 60 days of receiving the foreign funds.

3

File FC-GPR

File Form FC-GPR within 30 days of allotment.

4

File FC-TRS

File Form FC-TRS within 60 days of any secondary transfer with a non-resident.

5

FLA Return

Diarise the annual FLA return for 15 July.

Closing a round with foreign money? Get your FEMA reporting right the first time with A S Banka Advisors.

Book a Call

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