

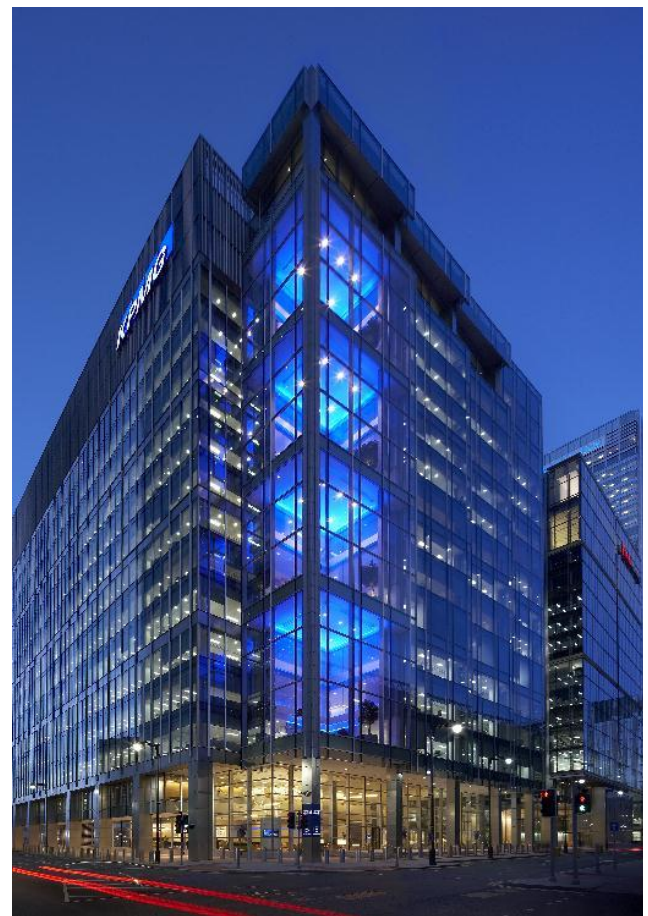
## TAX FLASH NEWS

### Foreign Venture Capital Investors (FVCI) eligible to be granted registration as a Foreign Portfolio Investor (FPI)

Registered Foreign Venture Capital Investor (FVCI) can be granted registration as a Foreign Portfolio Investor (FPI) by Securities and Exchange Board of India (SEBI)<sup>1</sup> subject to the following:

- i. The applicant is eligible to apply as a FPI under the FPI Regulations;
- ii. The entity would be required to have a clear segregation of funds/ securities which are proposed to be invested / held under FPI registration as investment conditions and restrictions are different under FVCI Regulations as compared to FPI Regulations;
- iii. Separate accounts must be maintained with the custodian for execution of trades. However, such an applicant shall have same custodian for its activities as FPI and FVCI;
- iv. Reporting of transactions must be done separately in accordance with conditions applicable under the specific registration;
- v. Conditions applicable to the entity under the respective registrations must be complied with at the level of the segregated funds and activities with respect to the specific registrations;
- vi. The investment restrictions as applicable to FPI shall be applicable; and
- vii. The applicant does not have opaque structure(s).

The applicant shall be required to comply with the provisions of FPI Regulations, FVCI Regulations and the circulars etc., issued there under from time to time.



<sup>1</sup> Circular no. CIR/IMD/FIIC/05/2015 dated 12 June 2015

[www.kpmg.com/in](http://www.kpmg.com/in)

**Ahmedabad**

Commerce House V, 9th Floor,  
902 & 903, Near Vodafone House,  
Corporate Road,  
Prahlad Nagar,  
Ahmedabad – 380 051  
Tel: +91 79 4040 2200  
Fax: +91 79 4040 2244

**Bengaluru**

Maruthi Info-Tech Centre  
11-12/1, Inner Ring Road  
Koramangala, Bangalore 560 071  
Tel: +91 80 3980 6000  
Fax: +91 80 3980 6999

**Chandigarh**

SCO 22-23 (1st Floor)  
Sector 8C, Madhya Marg  
Chandigarh 160 009  
Tel: +91 172 393 5777/781  
Fax: +91 172 393 5780

**Chennai**

No.10, Mahatma Gandhi Road  
Nungambakkam  
Chennai 600 034  
Tel: +91 44 3914 5000  
Fax: +91 44 3914 5999

**Delhi**

Building No.10, 8th Floor  
DLF Cyber City, Phase II  
Gurgaon, Haryana 122 002  
Tel: +91 124 307 4000  
Fax: +91 124 254 9101

**Hyderabad**

8-2-618/2  
Reliance Humsafar, 4th Floor  
Road No.11, Banjara Hills  
Hyderabad 500 034  
Tel: +91 40 3046 5000  
Fax: +91 40 3046 5299

**Kochi**

Syama Business Center  
3rd Floor, NH By Pass Road,  
Vytila, Kochi – 682019  
Tel: +91 484 302 7000  
Fax: +91 484 302 7001

**Kolkata**

Unit No. 603 – 604,  
6th Floor, Tower – 1,  
Godrej Waterside,  
Sector – V, Salt Lake,  
Kolkata 700 091  
Tel: +91 33 44034000  
Fax: +91 33 44034199

**Mumbai**

Lodha Excelus, Apollo Mills  
N. M. Joshi Marg  
Mahalaxmi, Mumbai 400 011  
Tel: +91 22 3989 6000  
Fax: +91 22 3983 6000

**Noida**

6th Floor, Tower A  
Advant Navis Business Park  
Plot No. 07, Sector 142  
Noida Express Way  
Noida 201 305  
Tel: +91 0120 386 8000  
Fax: +91 0120 386 8999

**Pune**

703, Godrej Castlemaine  
Bund Garden  
Pune 411 001  
Tel: +91 20 3050 4000  
Fax: +91 20 3050 4010