

# What's New

## News Flash



August 2018

### ***SEBI KYC requirements for FPIs - extension of timeline to 31 December, 2018***

The Securities and Exchange Board of India (SEBI) *vide* circular dated 10 April, 2018 had prescribed Know Your Client (KYC) requirements for Foreign Portfolio Investors (FPIs), including timelines for complying with the said circular. (Please click [here](#) to refer to our news flash dated 11 April 2018 on the KYC requirements for FPIs.) FPIs were required to comply with the requirements prescribed therein\* by 9 October, 2018. SEBI has now extended the timeline for compliance to 31 December, 2018.

\*The requirements prescribed were as under:

- Existing FPIs were required to provide the list of Beneficial Owners (BOs) in the prescribed format.
- NRIs/ OCI/ Resident Indians cannot be a BO of FPI. Existing FPI structures which were not in conformity with this requirement were required to change their structure or close their existing position in Indian securities market.
- FPIs or their investors identified as BO in accordance with PMLA Rules were not allowed to issue any bearer shares or maintain any outstanding bearer shares. Existing FPIs or their investors which did not conform to the above requirements were asked to comply with it.
- FPIs were required to provide an undertaking that upon demand by the Regulators/ Law Enforcement Agencies, relevant documents would be provided.
- Category III FPIs were required to provide Declaration on its letter head for certain supporting KYC documents.
- FPIs had to ensure that they do not breach prescribed threshold upon clubbing of investments due to common BO.

Please click [here](#) to access the SEBI circular dated 10 April, 2018, and [here](#) to access the SEBI circular dated 21 August, 2018.

If your interest lies in a specific area or subject, do advise us so we can send you only the relevant alerts. For any additional information, please reach out to your PwC relationship manager or write in to [\*\*\*pwctr.knowledgemanagement@in.pwc.com\*\*\*](mailto:pwctr.knowledgemanagement@in.pwc.com)

With Best Regards  
PwC TRS Team

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