FREQUENTLY ASKED QUESTIONS

REGISTRATION OF FOREIGN COMPANIES / SUBSIDIARY OF FOREIGN BODY CORPORATE

Form Related Compliances

Query	Clarification
. Forms for Registration of Foreign Companies	Form FC-1 must be filed with the Registrar of Companies, CRC within 30 days of establishment of a place of business in India.
Re-registration for every project if FCRN obtained?	No. Subsequent projects/changes should be reported through Form FC-2. A separate FC-1 is required only if a new project creates a separate place of business.
. Procedure & due time for filing FC-1	Within 30 days of establishing a place of business in India. Supporting documents: charter documents, list of directors/secretaries, authorization (board resolution / power of attorney). Refer. https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.html?act=NTk2MQ==#Documents_etc_to_be_Delivered_to_Registrar_by_Foreign_Companies
Is FC-2 requiring every time RBI extends Liaison Office approval?	Yes. Extension of RBI approval for a Liaison Office must be intimated through Form FC-2.
. Annual filings for a Foreign Branch	Form FC-3 (Annual Accounts) and Form FC-4 (Annual Return).
.Details in FC-4 (board meetings, AGM, directors)?	Details pertaining to the parent company which has established the branch or liaison office. FC-4 is an annual return filed by a foreign company having a place of business in India. Pl refer https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.html?act=NTk2MQ==#Accounts_of_Foreign_Company
Nominal Value in FC-4 if shares have no par value?	The Companies Act does not permit the face value / par value of shares to be 0.
. CIN change from PTC to FTC if Indian company becomes 100% subsidiary?	A Change Request Form (e-Form) must be filed with the jurisdictional ROC to update master data.
Is Form CSR-2 mandatory for a foreign bank branch?	Yes. Foreign companies are not exempt from CSR if they satisfy the eligibility criteria under Section 135.
GIFT IFSC Branch – to apply to MCA before or after IFSCA approval?	IFSCA approval precedes the FC-1 filing when a foreign company sets up a Branch in GIFT IFSC.

FC-1 - **Permissible activity**

Type of office	Permissible activity / NIC
Liaison office	• Representing in India the parent company / group companies. • Promoting export / import from / to India. • Promoting technical/financial collaborations between parent/group companies and companies in India. • Acting as a communication channel between the parent company and Indian companies. **Further for liaison office- the NIC to be selected in the form should be in accordance with the activities that are allowed to a liaison office in India by the RESERVE BANK OF INDIA.** • **Refer https://www.rbi.org.in/commonman/english/scripts/Notification.aspx?Id=844**
Project office	• Activities mentioned in approval letter.
Branch office	• Export / Import of goods. • Rendering professional or consultancy services. • Carrying out research work, in areas in which the parent company is engaged. • Promoting technical or financial collaborations between Indian companies and parent or overseas group company. • Representing the parent company in India and acting as buying / selling agent in India. • Rendering services in information technology and development of software in India. • Rendering technical support to the products supplied by parent/group companies. • Foreign airline / shipping company. **Restricted Activity –** a) Retail trading activities of any nature is not allowed for a Branch Office in India. b) A Branch Office is not allowed to carry out manufacturing or processing activities in India, directly or indirectly.

FC-1 - **Validity period**

Type of office	Validity Period
Liaison office	1. Initial validity is granted for a maximum period of 3 years 2. Extension for further period(s)
Project office	For completion of specified project.
Branch office	Unlimited Period
Other office	In accordance with RBI approval.

Name Reservation – Rule 8 & Rule 8A of the Companies (Incorporation) Rules, 2014

Aspect	Clarification
Why are subsidiary names rejected even when same as foreign parent?	All sub-rules in Rule 8A must be considered. The original name of the holding company may be allowed with addition of 'India' or name of an Indian State/city, if otherwise available. However, addition of 'India' alone does not make the name distinguishable.
Two-step test for name approval	1. The proposed name must first be available in the MCA National Names Database (not already taken by an existing company or LLP). 2. Even if available, the Rule 8 test for resemblance/similarity still applies.
Scenario 1 – Existing similar Indian company	Facts: US entity 'Techshine LLC' wants 'Techshine India Pvt Ltd' but 'Techshine Pvt Ltd' already exists. Clarification: ROC can ask for a different name as it is too similar. Alternatives: Techshine Solutions India Pvt Ltd / Techshine Digital India Pvt Ltd / Techshine Innovations Pvt Ltd (subject to availability).
Effect of trademark ownership / parent authorization	Even with trademark ownership or authorization from the US parent, ROC requires the proposed name to be distinguishable from an already registered Indian company. Authorization from the parent does not override name-availability rules.
Scenario 2 – Conflicting trademark, no similar company name	Facts: 'Techshine LLC' wants 'Techshine India Pvt Ltd' for IT services. No similar company exists, but an unrelated entity holds a registered wordmark 'Techshine' in Classes 9 and 42. Clarification: ROC-CRC would normally insist on an NOC from the trademark proprietor. Exception: If actual activities in the registered trademark do not overlap with proposed Indian activities, ROC may allow the name without NOC.

Documents Required for Registration of Foreign Companies

Document / Requirement	Details
Core Documents (Section 380, Companies Act 2013)	• AOA / Charter Document / Certificate of Incorporation; • Board Resolution / Power of Attorney; • Approval letter from RBI / IFSC / AD Bank; • Identity and address proof of directors & secretary; • List of directors & secretary; • Identity and address proof of authorized representative (with PAN); • Address proof of principal/other places of business in India and NOC/agreement for use of address.
Certification Requirements (Rule 9)	Duly certified copies (notarized / apostilled / consularized) of: Charter documents / AOA / COI; Board Resolution / Power of Attorney; Identity and address proof of directors & secretary; List of directors & secretary. Refer Rule 9
Hague Apostille Convention Countries	Mandatory apostilled documents include: List of directors/secretaries; Name and address of persons resident in India authorized to accept notices. List of signatories to Hague convention https://www.hcch.net/en/instruments/conventions/status-table/?cid=41
Other Key Requirements	• Details in list of directors must comply with Rule 3 of Companies (Registration of Foreign Companies) Rules, 2014; rule3 • Acceptable identity/address proofs: passport, voter ID, driving licence, Aadhaar, bank statements, utility bills (not older than 2 months); • Rent agreement for registered office should not exceed 5 years; • Non-English documents must be accompanied by a certified English translation under Rule 10; Refer rule10 • Disclosures required for: earlier places of business in India, Indian subsidiaries/holding/associate companies, related parties, and applicability of Section 379(2). Refer https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.html?act=NTk2MQ==
Q16. Documentation for foreign companies	Requirements governed by Section 380, Companies Act, 2013 and Rule 3 of the Companies (Registration of Foreign Companies) Rules, 2014. https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.html?act=NTk2MQ==#Documents_etc_to_be_Delivered_to_Registrar_by_Foreign_Companies
Q17. Notarization & apostille for foreign directors	For companies incorporated in India: Rule 13(5) of Companies (Incorporation) Rules applies. For foreign companies with a place of business in India: Rule 9 of Companies (Registration of Foreign Companies) Rules, 2014 applies. Requirements vary based on whether the country is in the Commonwealth or party to the Hague Apostille Convention, or neither. https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.html?act=NTk2MQ==#Incorporation_of_Company

Subscriber Sheet - Notarization / Apostille / Consularization

Query	Clarification
Subscriber sheet signing by foreign nationals in case of incorporation of Indian Subsidiary	• The subscriber sheet can be signed physically and then notarized / apostilled / consularized as applicable; • DSC signing by foreign nationals is allowed only if they are in India on a valid Business Visa at the time of signing as per Rule 13 of Companies (Incorporation) Rules, 2014; • If signing takes place in India, e-MoA and e-AoA are mandatory; Rule 13 • If any subscriber is outside India at the time of signing, physical signing followed by appropriate notarization / apostille / consularization is to be ensured and this is determined in accordance with jurisdiction where document is signed and not the jurisdiction where the person hails from . For instance, if a US national is signing the MOA/AOA in Malaysia , then Notarization would suffice . Similarly , if a SouthAfrican National is signing the MOA/AOA in USA , then Notarization has to be followed by apostille . So the emphasis is on place of signing
What if notarization is not possible?	The rules accommodate Commonwealth countries, Hague Apostille Convention countries, and others. Jurisdictions where notarization is not possible are examined case-by-case.
Malaysian notary notarized but apostille refused	Malaysia is part of the Commonwealth; Apostille is not required. Notarization alone suffices even though Malaysia is signatory to apostille convention.
. Additional documents for subscribers from land-border countries	Additional MHA approval requirements apply to directors from land-border sharing countries, not subscribers. For subscribers from such countries, approvals may be required from DPIIT under the FDI policy.
MOA/AOA subscription pages –Notarization and consularization for German parent ?	Germany has opposed India's accession in the Hague Apostille convention .Hence, the documents originating in Germany require notarization and consularization instead of apostille .
MoA/AoA subscription pages – notarization & apostille for US parent?	Yes. Subscription documents executed in USA by a foreign body corporate subscriber are required to be notarized and apostilled.
Does US parent's Board Resolution for name approval need notarization & apostille?	No. The incorporation rules require notarization / apostille for signing of MoA/AoA and proof of identity, not for the board resolution itself.
MoA/AoA subscription pages – notarization & consularization for Dubai parent?	Yes. Subscription documents executed in Dubai by a foreign body corporate subscriber are required to be notarized and consularized instead of apostille as Dubai is not signatory to apostille convention

Authority Related Queries

Query	Clarification
. Single-window clearance for foreign company registration?	• There is no single-window clearance that replaces sectoral regulator approvals; • The National Single Window System (NSWS) helps identify required approvals but does not substitute MCA filings as of now; • Form FC-1 must be supported by approvals from relevant sectoral regulators (e.g., RBI under FEMA) where applicable.
Can a company register as foreign company without RBI approval as LO/BO/PO?	RBI approval is required for classification as Liaison Office / Branch Office / Project Office. For entities operating from IFSCA, IFSCA is the primary approving authority. Exceptions: Branch offices from land-border sharing countries and Banking units – RBI approval precedes IFSCA approval.
UK company with Chinese shareholding – approvals for Indian subsidiary?	• For MCA compliance, separate MHA approval through the e-Sahaj portal is required for appointment of directors from land-border sharing countries (including China); • FDI policy may require prior government approval based on beneficial ownership and country-specific restrictions.
Can MCA accept RBI-approved documents or share data with RBI?	At present, there is no automatic data-sharing mechanism between RBI and MCA, and documentation requirements differ.
. NRI investment through NRO/NRE accounts – do RBI/FEMA compliances apply?	Yes. RBI / FEMA compliance requirements apply even if investment is routed through NRE / NRO accounts.

Further Information – General Queries

Query	Clarification
Is one Indian director and registered office mandatory for a foreign director incorporating a company?	For foreign companies with a place of business in India (not separately incorporated), Section 380(1)(d) requires one or more persons resident in India authorized to accept service of process and notices. For companies incorporated in India, Section 149(3) requires at least one resident director (residency, not citizenship). https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.html?act=NTk2MQ==#Company_to_have_Board_of_Directors
Is an Indian director compulsory for a foreign company?	No. The law requires an authorized representative resident in India, not necessarily an Indian citizen or director.
Are Chinese nationals or entities allowed to register a company in India?	Yes, subject to: Applicable FDI approval routes (automatic or government); Prior security clearance through e-Sahaj for directors from land-border sharing countries before obtaining DIN.
General Conditions – Branch / Liaison / Project Offices	• Citizens of Pakistan, Bangladesh, Sri Lanka, Afghanistan, Iran, or China require prior RBI permission to establish any place of business; • Partnership / proprietary concerns abroad cannot establish BO / LO / PO in India; • Entities from Nepal can establish only Liaison Offices; • Entities from Pakistan, Bangladesh, Sri Lanka, Afghanistan, Iran, Bhutan, or China cannot acquire immovable property in India even for a Branch Office; they may lease property for up to 5 years.
. Are 100% subsidiaries of foreign entities required to be registered as foreign companies?	No. If a foreign entity incorporates its subsidiary in India, the subsidiary is an Indian company, not a foreign company as defined under Section 2(42). https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.html?act=NTk2MQ==#Definitions
Can a branch office enter into independent agreements and employ people in India?	A branch office is not a separate legal entity from the foreign company. Agreements and employment are effectively those of the foreign company.
How is CSR reporting by foreign companies to be filed?	Section 384(2) extends Section 135 (CSR) to foreign companies to the extent specified. CSR reporting by foreign companies is linked to their annual filings (FC-3 / FC-4 framework). Pl see link https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.html?act=NTk2MQ==#Debentures_Annual_Return_Registration_of_Charges_Books_of_Account_and_Their_Inspection
If an Indian company is acquired 100% by a foreign company, does it need registration under Sections 379–393?	No. An Indian company does not become a 'foreign company' merely because 100% of its shares are acquired by a foreign company. It remains an Indian company unless it ceases to be incorporated in India.
. Validity of notarized and apostilled documents for incorporation	The Companies Act, 2013 and its rules do not prescribe a fixed validity period for such documents. The norm is that the authorities issuing apostille and notarization also mention the validity period.
. Must every foreign company fall into BO/LO/PO categories under FEMA?	No. A foreign company under the Companies Act is not required to fall exclusively into BO / LO / PO categories under FEMA, though most do. If a foreign company's place of business in India falls outside these categories, clarifications may be sought from ROC-CRC on the nature of that establishment. **In case, if no such approval is required, then a declaration from the Authorized Representative of such foreign company should be attached that no such approval is required as per Rule 3(3) of The Companies (Registration of Foreign Companies) Rules, 2014**