



In the

**RESERVE BANK OF INDIA**  
Foreign Exchange Department  
Secretariat Road  
Saifabad, Hyderabad 500 004

Present

Shri. P Kalyan Chakravarthy  
Assistant General Manager

Date: July 26, 2019  
C.A. HYD 441

In the matter of

Smt. Aparna Uyyuru  
F – 402, Nagarjuna Residency  
Gachibowli  
Hyderabad  
Telangana – 500 032

**(Applicant)**

In exercise of the powers conferred under sub-section 1 of Section 15 of Foreign Exchange Management Act, 1999 and the Regulations/ Rules/ Notifications/ Orders made there under, I pass the following

**Order**

The applicant has filed the compounding application dated July 05, 2019 received on July 08, 2019 for compounding of contraventions of the provisions of the Foreign Exchange Management Act, 1999 (the FEMA) and the regulations issued thereunder. The contravention sought to be compounded is, Non-filing of form FC-TRS in terms of Paragraph 10(i) of Schedule 1 to Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 notified vide Notification No. FEMA.20/2000-RB dated May 03, 2000 (hereinafter referred to as Notification No. FEMA 20/2000-RB) as then applicable.



2. The relevant facts of the case are as follows:

- a) The applicant is a resident shareholder of M/s. IntegraDelivers India Private Limited (CIN: U74999TG2016PTC113745) of the company. The applicant received an inward remittance of ₹ 6367 /- from M/s. Integra Mortgage Solutions LLC, USA (purchaser), on April 18, 2017 for transfer of equity shares to the purchaser by the applicant.
- b) Pursuant to the remittance, the form FC-TRS was not filed by the applicant as the remitter name in the FIRC and KYC were incorrect and the applicant could not get necessary documents due to several constraints on remitter bank side, the applicant and the purchaser/remitter mutually agreed to unwind the transaction and hence the applicant has remitted the said amount to the remitter, M/s. Integra Mtg Solutions LLC, USA on July 19, 2019. Here the amount of contravention is ₹ 6367 /-and the period of contravention is 2 year 1 month 5 days approximately as indicated below:

SI No	Name of the Remitter	Date of receipt	Amount received (INR)	Date of seeking RBI approval for refund
1	M/s. Integra Mortgage Solutions LLC, Albuquerque	18.04.2017	6367	23.05.2019
	<b>Total</b>		<b>6367</b>	

Whereas in terms of Paragraph 10(i) of Schedule 1 to FEMA Notification No. 20 dated May 03, 2000, in case of transfer of shares or convertible debentures of an Indian company by way of sale from a person resident in India to a person resident outside



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India or vice versa, the transferor/transferee, resident in India shall submit to the AD bank a report in the form FC-TRS as specified by the Reserve Bank from time to time within 60 days from the date of receipt or payment of the amount of consideration. Though the para does not deal with the transfer of shares per se, any contravention related to requirements regarding the process of transfer of shares will fall under Paragraph 10(i) of Schedule 1 to FEMA Notification No. 20 dated May 03, 2000 as then applicable.

3. (a) The applicant was given an opportunity for personal hearing vide Reserve Bank's letter No. HY.FE.FID/226/14.66.003/2019-20 dated July 24, 2019 for further submission in person and/or producing documents, if any, in support of the application.

(b) The applicant vide mail dated July 25, 2019 stated that they are foregoing appearing for the personal hearing and requested that the compounding application may be disposed of on the basis of merits in terms of the facts/submission made therein along with the compounding application. The application for compounding is, therefore, being considered on the basis of the averments made in the application.

4. I have given my careful consideration to the documents on record. Accordingly, I hold that the applicant has contravened the following FEMA provisions issued in terms of:-

(a) Paragraph 10(i) of Schedule 1 to Notification No.20/2000-RB dated May 03, 2000 for non-filing of form FC-TRS and the contravention relates to an amount of ₹ 6367 /- with a delay of 2 year 1 months 5 days approximately.

5. It has been declared in the compounding application dated July 05, 2019 that the particulars given by the applicant in the application are true and correct to the best of



their knowledge and belief. It has been declared in the declaration dated July 05, 2019 that the applicant was not under any enquiry/investigation/adjudication by any agency and confirmed that no appeal has been filed by him under section 17 or section 19 of FEMA 1999. In this regard, the applicant has not informed of initiation of any such enquiry/investigation/adjudication proceedings against it thereafter. Accordingly, the above contraventions which are being compounded in this Order are subject to the veracity of the above declarations made by the applicant and this order is without prejudice to any other action which may be taken by any authority under the extant laws if the said declarations are subsequently discovered to be false and/or incorrect.

6. In terms of Section 13 of the FEMA, any person contravening any provision of the Act shall be liable to a penalty up to thrice the sum involved in such contravention upon adjudication. However, taking into account the relevant facts and circumstances of the case as stated in the foregoing paragraphs, I am persuaded to take a lenient view on the amount for which the contravention is to be compounded and I consider that an amount of **₹ 667 /- (Rupees Six Hundred and Sixty Seven Only)** will meet the ends of justice.

7. Accordingly, I compound the admitted contraventions, namely, the contravention of Paragraph 10(i) of Schedule 1 to Notification No. FEMA 20/2000-RB by the applicant on the facts discussed above in terms of the Foreign Exchange (Compounding Proceedings) Rules, 2000 on payment of an amount of **₹ 667 /- (Rupees Six Hundred and Sixty Seven Only)** which shall be deposited by the applicant with the Reserve Bank of India, Foreign Exchange Department, 1st Floor, Saifabad, Hyderabad - 500004 by a demand draft drawn in favour of the "Reserve Bank of India" and payable at Hyderabad within a period of 15 days from the date of this order. In case of failure to



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deposit the compounded amount within the above mentioned period, Rule 10 of the Foreign Exchange (Compounding Proceedings) Rules, 2000 dated May 3, 2000 shall apply.

The application is disposed of accordingly.

Dated this 26<sup>th</sup> day of July 2019

Sd/-  
(P Kalyan Chakravarthy)  
Assistant General Manager