



In the
Reserve Bank of India
Foreign Exchange Department
3rd Floor
15, Netaji Subhas Road
Kolkata – 700 001

Present
Shri Rajendra Srivastava
Assistant General Manager

Date: February 17, 2020
C.A.129/2019

In the matter of
Smt. Gangotri Guha
Flat No A1/14 ECTP
Phase-II, Kasba Gold Park
Kolkata 700107
(Applicant)

In exercise of the powers under section 15 (1) of the Foreign Exchange Management Act, 1999 and the Regulations/Rules/Notifications/Orders made thereunder, I pass the following

Order

The applicant had filed a compounding application dated November 22, 2019 (received at Reserve Bank on December 02, 2019) for compounding of contravention to the provisions of the Foreign Exchange Management Act, 1999 (the FEMA) and the regulations issued thereunder. The contravention sought to be compounded is for delay in submission of form FC-TRS on transfer of shares from Resident to Non-Resident which is a contravention under regulation 10 A (b)(i) read with paragraph 10 of FEMA 20/2000-RB dated May 3, 2000 and as amended from time to time (hereinafter referred to as Notification No. FEMA 20/2000-RB).

2. Mrs. Gangotri Guha, a resident of India, had transferred 5000 numbers of equity shares of M/s EPIX ESOLUTION (INDIA) PRIVATE LIMITED to EPIX ESOLUTION LIMITED of UK as given in Table A below.



Transfer of shares from Resident to Non-Resident						
Table A. Contravention of Para10A(b)(i) of Schedule 1 to Notification No. FEMA 20/2000-RB dated May 03, 2000						
Sl. No.	Number of instruments (Equity)	Negotiated Price Per Instrument	Amount of Consideration	Date of Transfer of shares	Date of reporting of FCTRS	Delay beyond 60 days, if any (days)
1	5,000.00	10.00	50000	30-Mar-15	26-Mar-19	1397

There is a delay of **1397 days** in submission of form FC-TRS on transfer of shares from Resident to Non-Resident which is a contravention under regulation 10 A (b)(i) read with paragraph 10 of FEMA 20/2000-RB dated May 3, 2000. This delay is being treated as material contravention and subjected to compounding.

3. The applicant was given an opportunity for personal hearing, vide Reserve Bank's letter No.KOL.FED.FID.1223/06.01.002/2019-20 dated February 10, 2020 for further submission in person and/or producing documents, if any, in support of the application. The applicant appeared for personal hearing on February 17, 2020. The applicant admitted the contraventions as stated in para 2 of this Order.

4. It has been declared in the compounding application dated November 22, 2019 that the particulars given by the applicant in the application are true and correct to the best of their/his/her knowledge and belief. It has been declared in the declaration furnished with the compounding application that the applicant was not under any enquiry/investigation/adjudication by any agency as on the date of the application and has, in this regard, not informed of initiation of any such enquiry/investigation/adjudication proceedings against it/him/her thereafter. It has further been declared that the applicant has not filed any appeal under section 17 or section 19 of FEMA, 1999. 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.



5. I have given careful consideration to the documents on record and submission made by the applicant during the personal hearing. Accordingly, I hold that the applicant has contravened provisions to regulation 10 A (b)(i) read with paragraph 10 of FEMA 20/2000-RB dated May 3, 2000. The contravention relates to an amount of INR 50,000.

6. In terms of section 13 of the FEMA any person contravening any provision of the act shall be liable for a penalty upto thrice the sum of the contravention upon adjudication. However, considering the circumstances which led to the delay and other relevant facts of the case I am inclined to take a lenient view of the amount for which the contravention is to be compounded and I consider that an amount of INR 9,792 (Rupees Nine Thousand Seven Hundred and Ninety Two only) will meet the end of justice.

7. Accordingly, I compound the admitted contravention to regulation 10 A (b)(i) read with paragraph 10 of FEMA 20/2000-RB dated May 3, 2000 by the applicant on the facts discussed above in terms of the Foreign Exchange (Compounding Proceeding) Rules, 2000 on payment of an amount INR 9,792 (Rupees Nine Thousand Seven Hundred and Ninety Two only), which are to be deposited by the applicant with the Reserve Bank of India, Kolkata by a demand draft in favor of Reserve Bank of India and payable at Kolkata within 15 days from the date of issue of the order. In case of failure to deposit the compounded amount within the above mentioned period, Rule 10 of the Foreign Exchange (Compounding Proceeding) Rules, 2000 dated May 03, 2000 shall apply.

8. The application is disposed of accordingly.

Dated this Seventeenth day of February, Two Thousand and Twenty.

Sd/-
(Rajendra Srivastava)
Assistant General Manager