



**In the
Reserve Bank of India
Foreign Exchange Department
7th Floor, Gera's Imperium-II,
EDC Complex, Patto Plaza,
Panaji, Goa - 403 001**

Present

**Ms. Meenakshi Gad
Deputy General Manager**

Date: April 08, 2019

CA No: PAN19

In the matter of

**M/s Goadoctors Alliance Private Limited
Regd. Office: 132/1 (Part) Kadamba Plateau, Ella Village,
Ilhas, Tiswadi, Old Goa, North Goa, Goa – 403 402
(Applicant)**

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

Order

The applicant has filed a compounding application dated February 19, 2019 for compounding of contraventions of the provisions of the Foreign Exchange Management Act, 1999 (the FEMA) and the regulations issued thereunder. The contraventions sought to be compounded are (i) delay in reporting receipt of foreign inward remittance towards subscription to equity and (ii) delay in submission of Form FC-GPR to the Reserve Bank after issue of shares to a person resident outside India, in terms of paragraphs 9(1)(A) and 9(1)(B) respectively of Schedule I 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 3rd May 2000 as amended from time to time (hereinafter referred to as Notification No. FEMA 20/2000-RB).

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

i) The applicant is a company registered as a private limited company, incorporated on January 01, 2013 under the Companies Act, 1956 (CIN: U85100GA2013PTC007142) with the main object of undertaking the business of hospital activities (NIC Code: 86100).

ii) The applicant received foreign inward remittances towards issue of equity shares as detailed below:

Sr. No.	Name of Remitter	Amount (Rs.)	Date of Receipt	Reporting to RBI
1	Joaquim Kenneth Barbosa E Semelhago	5,000/-	18-Mar-2017	26-Jul-2017
2		10,00,000/-	23-Mar-2017	
3		9,00,000/-	24-Mar-2017	
4		2,90,000/-	28-Mar-2017	
	TOTAL	21,95,000/-		

The applicant reported receipt of remittances to the Foreign Exchange Department, Panaji Regional Office of the Reserve Bank on the dates indicated above with delays ranging from 2 months 27 days to 3 months 7 days in respect of remittance received on four occasions, beyond the stipulated period of 30 days. Whereas in terms of paragraph 9(1)(A) of Schedule-I to Notification No. FEMA 20/2000-RB, an Indian company issuing shares or convertible debentures in accordance with these Regulations should report to the Reserve Bank of India as per the prescribed procedure not later than 30 days from the date of receipt of the amount of consideration.



iii) The applicant allotted equity shares and filed FC-GPRs as indicated below:

Name of Investor	No. of Shares	Amount (Rs.)	Date of Allotment	Reporting to RBI
Joaquim Kenneth Barbosa E Semelhago	9,340	21,94,900/-	31-Mar-2017	12-Sep-2018

The applicant filed Form FC-GPR in respect of shares allotted with delay of 1 year 4 months 11 days which is beyond the stipulated period of 30 days. Whereas in terms of paragraph 9(1)(B) of Schedule-I to Notification No. FEMA 20/2000-RB, an Indian company issuing shares in accordance with these Regulations has to submit to Reserve Bank a report in Form FCGPR along with documents prescribed therein within 30 days from the date of issue of shares to a person resident outside India.

3. The applicant was given an opportunity for personal hearing vide Reserve Bank's letter no. PNJ.FED: 535 / 02.09.022 / 2018-19 dated March 12, 2019 for further submission in person and / or producing documents, if any, in support of the application. The personal hearing was held on March 20, 2019 during which Shri Shivaram Bhat, Practicing Company Secretary, M/s Goadoctors Alliance Private Limited, represented the applicant. During the personal hearing, the representative of the applicant stated that the reporting delays were inadvertent and requested that a lenient view may be taken in the matter.

It has been declared in the compounding application dated February 19, 2019 that the particulars given by the applicant in the application are true and correct to the best of their knowledge and belief and also that the applicant was not under any enquiry/investigation/adjudication by any agency such as Enforcement Directorate, CBI, etc. as on the date of the application. The applicant has also given an undertaking to inform RBI of initiation of any 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.

The application for compounding is, therefore, being considered based on the averments made in the application as well as other documents and submissions made in this context by the applicant.

4. I have given my 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 the following FEMA provisions issued in terms of:

- i) Paragraph 9(1)(A) of Schedule I to Notification No. FEMA 20/2000-RB due to the delay in reporting of receipt of foreign inward remittance towards subscription to equity as detailed in paragraph 2 above. The contravention relates to an amount of **Rs.21,95,000/-** and the duration of delays ranging from 2 months 27 days to 3 months 7 days.
- ii) Paragraph 9(1)(B) of Schedule I to Notification No. FEMA 20/2000-RB due to delay in submission of Form FC-GPR to the Reserve Bank after issue of shares to persons resident outside India. The contravention relates to an amount of **Rs.21,94,900/-** and the duration of delay of 1 year 4 months 11 days.

5. 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 contraventions are to be compounded and I consider that an amount of **Rs.24,792/- (Rupees Twenty Four Thousand Seven Hundred Ninety Two only)** will meet the ends of justice.

6. Accordingly, I compound the admitted contraventions namely, the contraventions of paragraphs 9(1)(A) and 9(1)(B) of Schedule-I 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 **Rs.24,792/- (Rupees Twenty Four Thousand Seven Hundred Ninety Two only)** which shall be deposited by the applicant with the Reserve Bank of India, Foreign Exchange Department, Gera Imperium II, 7th Floor, EDC, Patto Plaza, Panaji, Goa 403 001 by a demand draft drawn in favour of the "Reserve Bank of India" and payable at Mumbai within a period of 15 days from the date of this order. In case of failure to 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 the eighth day of April 2019.

Sd/-

(Meenakshi Gad)
Deputy General Manager