



In the

RESERVE BANK OF INDIA
Foreign Exchange Department
5th Floor, Amar Building
Sir P M Road
Mumbai - 400 001

Present

R. K. Moolchandani
Chief General Manager

Date: February 17, 2020
CA No 5007/ 2019

In the matter of

Bennett, Coleman and Company Limited
The Times of India Building
Dr D N Road
Mumbai 400001.

(Applicant)

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

Order

The applicant has filed the application dated September 04, 2019 (received in the Reserve Bank on September 12, 2019) for compounding of contraventions of the provisions of the Foreign Exchange Management Act, 1999 (the FEMA) and the regulations issued thereunder. The contraventions are: (a) Delay in submission of Form ODI for remittances, (b) Delay in receipt of share certificate and (c) Delay in submission of annual performance reports (APRs) for the years from 2009 to 2016 in violation of Regulation 6(2)(vi), Regulation 15(i) and



Regulation 15(iii), respectively of Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004 notified vide Notification No. FEMA 120/2004-RB dated July 7, 2004 as amended from time to time (hereinafter referred to as Notification No. FEMA 120/2004-RB).

2. The relevant facts are as under:

The applicant company was incorporated on November 29, 1913 (CIN No. U22120MH1913PLC000391) and is in the business of publishing.

The applicant company had made an overseas direct investment (ODI) in March 2009, in "Viadeo SA, France" an overseas joint venture (JV), by way of swap of shares amounting to Euro 322,148.75 and the company was allotted 1925 shares of the JV. The company had delayed submission of form ODI for this investment and had also received the share certificates with a delay.

The applicant company had also delayed the filing of its APRs with respect to its overseas JV for 8 years, i.e. from 2009 to 2016.

The transactions were taken on record, subject to compounding.

3. The applicant was given an opportunity for personal hearing vide letter No. FE.CO.CEFA/3973/15.20.67/2019-20 dated January 31, 2020 for further submission in person and/or producing documents, if any, in support of the application. The personal hearing was held on February 05, 2020, during which the applicant submitted that the contraventions were inadvertent and requested that a lenient view may be taken in the matter. The application is, therefore, being considered on the basis of the averments made, the documents produced, and submissions made by the applicant in the application.

4. It has been declared in the compounding application dated September 04, 2019, that the particulars given by the applicant company in the application are true and correct to the best of their knowledge and belief. It has also been declared in the declaration furnished along with the compounding application that the applicant company was not under any enquiry/investigation/adjudication by any agency as on the date of the application and has, in this regard, not been 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.

5. I have given my careful consideration to the documents on record and submissions made by the applicant. It was observed that the applicant has contravened the provisions of Regulation 6(2)(vi), Regulation 15(i) and Regulation 15(iii) of Notification No.FEMA.120/2004-RB. The amount and period of contravention involved is as follows:

- (i) Regulation 6(2)(vi) - Rs 10,00,00,000/- and the period of contravention is from April 13, 2009 to March 02, 2015.
- (ii) Regulation 15(i) – Rs. 10,00,00,000/- and the period of contravention is from October 12, 2009 to December 13, 2013.
- (iii) Regulation 15(iii) – eight APRs delayed for the years 2009-2016

6. In terms of Section 13 of the FEMA, any person contravening the provisions of the Act shall be liable to a penalty up to thrice the sum involved in such contravention upon adjudication. After considering the submissions made by the applicant and the entire facts and circumstances of the case, it stands to reason that payment of an amount of Rs. 4,35,833/- (Rupees four lakhs thirty five thousand eight hundred and thirty three only) will meet the ends of justice.

7. Accordingly, I compound, in terms of the Foreign Exchange (Compounding Proceedings) Rules, 2000 the admitted contravention committed by the applicant namely, Regulation 6(2)(vi), Regulation 15(i) and Regulation 15(iii) of Notification No.FEMA.120/2004-RB, on payment of a sum of Rs. 4,35,833/- (Rupees four lakhs thirty five thousand eight hundred and thirty three only) which shall be deposited by the applicant with the "The Chief General Manager – In – Charge, Reserve Bank of India, Foreign Exchange Department, 5th Floor, Amar Building, Fort, Mumbai – 400001" 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 accordingly.

Dated this the 17th day of February, 2020

Sd/-
(R. K. Moolchandani)
Chief General Manager