



In the
Reserve Bank of India
Foreign Exchange Department
Fort Glacis, No.16, Rajaji Salai
Chennai 600 001

Present

Suman Ray
Chief General Manager

Date: October 11, 2019
C.A.925/2018

In the matter of

M/s. Seiw Camira Power Pvt Ltd.
Flat No.6J, Century plaza, 560-562
Anna Salai, Teynampet
Chennai

(Applicant)

In exercise of the powers 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 June 14, 2019 (received at Reserve Bank on June 25, 2019) for compounding of contraventions of the provisions of the Foreign Exchange Management Act, 1999 (the FEMA) and the regulations issued there under. The contravention sought to be compounded is delay in submission of Form FC-GPR to Reserve Bank on allotment of shares in terms of Paragraph 9(1)B 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 May 3, 2000, as then applicable (hereinafter referred to as Notification No. FEMA 20/2000-RB).

2. The relevant facts of the case are as follows: The applicant company was incorporated on January 12, 2015 under the provisions of the Companies Act, 2013 (Registration No. U40300TN2015FTC098789) and is engaged in the business of electric power generation using solar energy. The applicant has received two foreign inward remittances from M/s. SunEdison Energy Holding (Singapore) Pte Ltd, Singapore towards subscription to capital instruments and reported the same to the Reserve Bank as detailed below:

Sl. No	Amount of Foreign Inward Remittance (₹)	Date of receipt	Reported to RBI on
1	3,08,550.00	30.01.2015	17.02.2015
2	2,79,54,000.00	18.02.2015	17.03.2015

The applicant reported receipt of remittances to the Reserve Bank on dates indicated above within the stipulated time of 30 days as required in terms of paragraph 9 (1) A of Schedule I to Notification No. FEMA 20/2000-RB.

3. The company allotted capital instruments and filed FC-GPRs as indicated below:

Sl. No.	No. of share allotted	Face Value ₹	Amount ₹	Date of allotment of shares	Reported to RBI on
1	30855	10	3,08,550.00	26.03.2015	24.06.2015
2	2795400	10	2,79,54,000.00	26.02.2015	26.05.2016

The applicant filed the forms FC-GPR as indicated above with delay ranging from one month 30 days to one year one month 29 days approximately beyond the stipulated time 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 FC-GPR along with documents



prescribed therein within 30 days from the date of issue of shares to person resident outside India.

4. The applicant was advised about the contraventions vide memorandum dated March 27, 2018. The applicant has filed a compounding application dated June 14, 2019 wherein it has been declared in the compounding application 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 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. Accordingly, the above contraventions which are being compounded in 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. The applicant was given an opportunity for personal hearing vide Reserve Bank's mail dated October 04, 2019 for further submission in person and/or producing documents, if any, in support of the application. The applicant vide return mail dated October 4, 2019 chose not to appear for the personal hearing scheduled on October 10, 2019. The application for compounding is, therefore, being considered on the basis of the averments made in the application as well as other documents and submissions made in this context by the applicant.

6. I have given my careful consideration to the documents on record and submission made by the applicant in the compounding application. Accordingly, I hold that the applicant has contravened the following FEMA provisions issued in terms of:

(a) 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 as detailed in paragraph 3 above. The contravention relates to an amount of ₹2,82,62,550.00 with the duration of contravention ranging from one month 30 days to one year one month 29 days approximately;



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7. In terms of Section 13 of the FEMA, 1999, 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 **₹68,670/-** (Rupees sixty eight thousand six hundred and seventy only) will meet the ends of justice.

8. Accordingly, I compound the admitted contravention namely, the contravention of paragraph 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 **₹68,670/-** (Rupees sixty eight thousand six hundred and seventy only) which shall be deposited by the applicant with the Reserve Bank of India, Foreign Exchange Department, Fort Glacis, No.16, Rajaji Salai, Chennai - 600 001 by a demand draft drawn in favour of the “Reserve Bank of India” and payable at Chennai 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 eleventh day of October, 2019.

Sd/-
Suman Ray
Chief General Manager