



In the
Reserve Bank of India
10/3/8, Nrupathunga Road
Bengaluru-560001

Present

Ms. M Ramakumari
Deputy General Manager

Date: March 06, 2020
C.A. BGL521/2019

In the matter of

M/s AWS Truepower India LLP
No. 24, 3rd Floor, Kalyani Platina
Block I Phase II, EPIP Zone Whitefield
Bengaluru 560066

(Applicant)

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

Order

The applicant has filed a compounding application dated November 05, 2019, received at the office of Reserve Bank of India, Bengaluru, on December 13, 2019, for compounding of contraventions of the provisions of the Foreign Exchange Management Act, 1999, (the FEMA) and the Regulations issued there under. The contraventions sought to be compounded is, delay in reporting receipt of foreign inward remittance towards capital contribution, in terms of Paragraph 7(1), of Schedule 9 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, and 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: The applicant, M/s AWS Truepower India LLP, was incorporated on June 26, 2013, under the Limited Liability Partnership Act, 2008, as per the Certificate of Incorporation issued by



the Registrar, Karnataka. The activity undertaken by the applicant is to carry out the business of consulting services in the field of renewable energy. The applicant had received funds towards capital contribution, from the non-resident investor, namely, M/s AWS Truepower LLC, USA, as shown below:

Table -1

Sr. No.	Date of Receipt	Total Amount (INR)	Date of Reporting to RBI / AD Bank
1	23-08-2013	11,82,331.44	09-08-2019
	Total	11,82,331.44	

The applicant had reported the receipt of inward remittance to the Reserve Bank of India/ Authorized Dealer Bank, with a delay of five years four months and twenty-seven days, beyond the stipulated period of 30 days in respect of the remittances as indicated, in Table-1 above.

Whereas in terms of Paragraph 7(1) of Schedule 9 to Notification No. FEMA 20/2000-RB, an Indian LLP receiving Foreign Direct Investment 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.

3. The applicant was given an opportunity for personal hearing, vide Reserve Bank's letter FE.BG.FID (CEFA) No.2008/22.11.918/2019-20, dated February 27, 2020, for further submission in person and/or producing documents, if any, in support of the application. The applicant's authorized representative Mr, Prakash M, Company Secretary, who appeared for the personal hearing on March 02, 2020, admitted the contravention as stated in paragraph 2 above, committed by the applicant, for which compounding has been sought. During the personal hearing, the representative of the applicant requested that as the contravention was not intentional or with a malafide intention, and was mainly due to inadvertence, a lenient view may be taken in disposal of the application. 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 during personal hearing and thereafter.

5. 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:

(a) Paragraph 7(1) of Schedule 9 to Notification No. FEMA 20/2000-RB, due to delay in reporting of inward remittance, received towards capital contribution as detailed in paragraph 2 above. The contravention relates to an amount of ₹11,82,331.44, and the period of delay is five years four months and twenty-seven days.

6. It has been declared in the compounding application dated November 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 undertaking, furnished as part of 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, 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 contravention which is being compounded in this order is 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.

7. 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 **₹23,550.00 (Rupees Twenty Three Thousand Five Hundred and Fifty only)**, will meet the ends of justice.

8. Accordingly, I compound the admitted contraventions namely, contraventions of Paragraph 7(1) of Schedule 9 to Notification No. FEMA 20/2000-RB, by the applicant, based on the facts discussed above, in terms of the Foreign Exchange (Compounding Proceedings) Rules, 2000, on payment of an amount of **₹23,550.00 (Rupees Twenty Three Thousand Five Hundred and Fifty only)**, which shall be deposited by the applicant with the Reserve Bank of India, Foreign Exchange Department, 2nd Floor, 10/3/8, Nrupathunga Road, Bengaluru – 560001, by a demand draft drawn in favour of the “Reserve Bank of India”, payable at Bengaluru, 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 Sixth day of March 2020.

Sd/-

(M Ramakumari)
Deputy General Manager