



In the

**RESERVE BANK OF INDIA**  
Foreign Exchange Department  
Secretariat Road  
Saifabad, Hyderabad 500 004

Present

R Subramanian  
Regional Director

Date: May 15, 2018  
C.A. HYD 297

In the matter of

M/s. Amish Crop Sciences Pvt Ltd  
H.No 2-96/1, Flat No 401  
Balaji Nivas, Baghameeri  
Kukatpally, Hyderabad  
Telangana - 500072

**(Applicant)**

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

**Order**

The applicant has filed the compounding application dated March 15, 2018 received on March 19, 2018 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 remittances and (ii) delay in submission of Form FC-GPR to Reserve Bank of India after issue of shares towards subscription to equity in terms of Paragraph 9(1)(A) and Paragraph 9(1)(B) of Schedule 1 respectively of 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 (hereinafter referred to as Notification No. FEMA 20 /2000-RB) as then applicable.

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

- a) The applicant is a resident company incorporated as M/s. Amish Crop Sciences Private Limited under the Companies Act, 2013 on 03.01.2014 (CIN: U24211TG2014PTC092103). The company is engaged in the business of Manufacture of pesticides and other agrochemical products.
- b) The applicant had received foreign inward remittances from single foreign investor as indicated below:

Sl. No.	Name of Remitter	Total Amount (INR)	Date of Receipt	Date of Reporting
1	M/s. Pacific Spot Limited, Hongkong	3325879	27-02-2017	26-09-2017
2	M/s. Pacific Spot Limited, Hongkong	3907717	20-03-2017	26-09-2017
3	M/s. Pacific Spot Limited, Hongkong	4856623	06-04-2017	26-09-2017
4	M/s. Pacific Spot Limited, Hongkong	3216583	20-04-2017	26-09-2017
5	M/s. Pacific Spot Limited, Hongkong	3208467	31-05-2017	26-09-2017
6	M/s. Pacific Spot Limited, Hongkong	6383684	30-06-2017	26-09-2017
7	M/s. Pacific Spot Limited, Hongkong	6383987	23-08-2017	26-09-2017
8	M/s. Pacific Spot Limited, Hongkong	4780554	29-08-2017	26-09-2017
9	M/s. Pacific Spot Limited, Hongkong	6385736	06-09-2017	03-11-2017
10	M/s. Pacific Spot Limited, Hongkong	3199352	20-09-2017	03-11-2017
	<b>Total</b>	<b>4,56,48,582</b>		

The applicant received the foreign inward remittances amounting to ₹4,56,48,582/- as indicated above and the same were reported to Reserve Bank of



India, out of which remittances amounting to ₹4,08,68,028/- were reported with delays ranging from 4 days to 6 months approximately beyond the prescribed period of 30 days. Whereas in terms of Paragraph 9(1)(A) of Schedule 1 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.

c) The company allotted the shares and filed form FC-GPRs as indicated below:

SI No	Name of investor	Date of allotment of shares	Number of shares allotted	Amount for which shares allotted (INR)	Date of reporting
1	M/s. Pacific Spot Limited, Hongkong	22-03-2017	723359	7233590	08-02-2018
2	M/s. Pacific Spot Limited, Hongkong	15-05-2017	269106	8073180	09-02-2018
3	M/s. Pacific Spot Limited, Hongkong	25-06-2017	106948	3208440	09-02-2018
4	M/s. Pacific Spot Limited, Hongkong	16-07-2017	212789	6383670	09-02-2018
5	M/s. Pacific Spot Limited, Hongkong	25-09-2017	691654	20749620	09-02-2018
		<b>Total</b>	<b>2003856</b>	<b>4,56,48,500</b>	

The applicant filed form FCGPRs for issue of shares amounting to ₹4,56,48,500/- as indicated above and all were reported with delays ranging from 3 months 16 days to 9 months 18 days approximately beyond the stipulated period of 30 days. Whereas in terms of Paragraph 9(1)(B) of Schedule 1 to Notification no. FEMA 20/2000-RB, an Indian company issuing shares in accordance with these Regulations has to submit to Reserve Bank of India a report in form FCGPR along



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

3. (a) The applicant was given an opportunity for personal hearing vide Reserve Bank's letter No. HY.FE.FID/1987/14.66.003/2017-18 dated May 10, 2018 for further submission in person and/or producing documents, if any, in support of the application.

(b) The applicant appeared for personal hearing on May 14, 2018 during which Shri. D.S. Rao, Practicing Company Secretary represented the applicant. The authorized representative of the applicant admitted the contraventions for which the compounding has been sought. During the personal hearing it was submitted that the delay was not wilful or with a malafide intention but was on account of lack of proper guidance on compliance requirements. In view of the foregoing, the representative of the applicant requested to take a lenient view 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 the submissions made in this context by the applicant during the personal hearing.

4. I have given my careful consideration to the documents on record. Accordingly, I hold that the applicant has contravened the following FEMA provisions issued in terms of:-

(a) Paragraph 9(1)(A) of Schedule 1 to Notification No. FEMA 20/2000-RB for delay in reporting the receipt of consideration towards issue of shares amounting to **₹4,08,68,028/-** and the delay ranges from 4 days to 6 months approximately.

(b) Paragraph 9(1)(B) of Schedule 1 to Notification No. 20/2000-RB for delay in submission of Form FC-GPR to Reserve Bank of India after issue of shares to persons resident outside India and the contravention relates to an amount of



₹4,56,48,500/- and the delay ranges from 3 months 16 days to 9 months 18 days approximately.

5. It has been declared in the compounding application dated March 15, 2018 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 dated March 15, 2018 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 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.

6. 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 **₹61,575/- (Rupees Sixty One Thousand Five Hundred Seventy Five Only)** will meet the ends of justice.

7. Accordingly, I compound the admitted contraventions, namely, the contraventions of Paragraph 9(1)(A) and Paragraph 9(1)(B) of Schedule 1 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 **₹61,575/- (Rupees Sixty One Thousand Five Hundred Seventy Five Only)** which shall be deposited by the applicant with the Reserve Bank of India, Foreign Exchange Department, 1st Floor, Saifabad, Hyderabad - 500004 by a demand draft



Compounding of contraventions under FEMA 1999  
M/s Amish Crop Sciences Private Limited  
CA No. HYD 297

drawn in favour of the "Reserve Bank of India" and payable at Hyderabad 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 15<sup>th</sup> day of May 2018

Sd/-

(R Subramanian)  
Regional Director