



In the

Reserve Bank of India
Foreign Exchange Department
Mumbai Regional Office
Main Building, 3rd floor
Shahid Bhagat Singh Marg, Fort
Mumbai 400 001

Present

Shri J. K. Pandey
Chief General Manager

Date: November 05, 2018

C.A. No. 785/2018

In the matter of

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg
Vikhroli (West),
Mumbai – 400 083
(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 thereunder, I pass the following

Order

1. The applicant has filed the compounding application dated August 14, 2018, (received at the Reserve Bank of India on August 20, 2018) for compounding of contravention of the provision of the Foreign Exchange Management Act, 1999 (the FEMA) and the regulations issued thereunder. The contravention sought to be compounded is delay in filing 'Annual Return on Foreign Liabilities and Assets' (FLA Returns), in terms of paragraph 9 (2) of Schedule 1 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 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 company was incorporated on February 16, 1999, under the Companies Act, 1956 as Intime Spectrum Registry Private Limited. The name of the company was changed to Intime Spectrum Registry Limited on August 30, 2001. The name of the company was again changed to Link Intime India Limited on December 22, 2008. Finally the name of the company was changed to Link Intime India Private Limited on January 06, 2009. Its main activities are i) to carry on business of registrars and share transfer agents, managers to issues, advisors to issues and depository participants. li) to act as financial consultants, management consultants and provide expertise in various fields such as secretarial, commercial, financial, legal economic, labour, industrial, public relations, scientific, technical, direct and indirect taxation and other levies, statistical, accountancy, quality control and data processing and other computer related activities.

3. The shares of the company were first transferred from Resident to Non-Resident in the financial year 2008-09. The company has not filed the Annual Return on Foreign Liabilities and Assets (FLA return) to the Reserve Bank of India for the Financial Year 2008-09 to 2016-17. Whereas, in terms of Paragraph 9(2) of Schedule 1 to Notification No. FEMA 20/2000-RB read with A. P. (DIR Series) Circular No. 29 dated February 02, 2017, all Indian companies which have received Foreign Direct Investment in the previous years including the current year, shall submit to the Reserve Bank of India, on or before the 15th day of July each year, a report titled 'Annual Return on Foreign Liabilities and Assets' as specified by the Reserve Bank from time to time.

4. The applicant was given an opportunity for personal hearing vide e-mail dated October 30, 2018, for further submission in person and/or producing documents, if any, in support of the application. The applicant vide letter dated October 30, 2018



requested to consider their application without formal hearing. The applicant in the compounding application had admitted the contravention for which compounding has been sought. It has been submitted by the applicant that the contravention was unintentional. 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 submitted along with the application.

5. I have given my careful consideration to the documents on record and submissions made by the applicant. Accordingly, I hold that the applicant has contravened the following FEMA provision issued in terms of:

(a) Paragraph 9(2) of Schedule 1 to Notification No. FEMA 20/2000-RB due to non-filing of Annual Return on Foreign Liabilities and Assets for the Financial Years 2008-09 to 2016-17.

6. It has been declared in the compounding application dated August 14, 2018, that the particulars given by the applicant in the application are true and correct to the best of their/his/her knowledge and belief. It has further been stated in the declaration dated August 24, 2018, 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. 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 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.

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



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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.90,000/- (Rupees Ninety Thousand Only) will meet the ends of justice.

8. Accordingly, I compound the admitted contravention namely, the contravention of paragraph 9(2) of Schedule 1 to Notification No. FEMA 20/2000-RB by the applicant as stated above on the facts discussed above in terms of the Foreign Exchange (Compounding Proceedings) Rules, 2000 on payment of an amount of Rs.90,000/- (Rupees Ninety Thousand Only) which shall be deposited by the applicant with the Reserve Bank of India, Foreign Exchange Department, Mumbai Regional Office, Main Building, 3rd floor, Shahid Bhagat Singh Marg, 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.

9. The above order is passed only in respect of contravention of paragraph 9 (2) of Schedule 1 to Notification No. FEMA 20/2000-RB and does not restrict the right of any other authority to proceed against the Company for any other violations/contraventions noticed at any point of time.

The application is disposed of accordingly.

Dated: November 05, 2018.

Compounding Authority

Sd/-

(J. K. Pandey)

Chief General Manager