



In the

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

Present

R Kesavan
Chief General Manager

Date : November 01, 2017
C.A.725/2017

In the matter of

M/s. Shreyas Renewable Energy Pvt Ltd.
Old No.110, New No.165, 10th Floor,
Menon Eternity, St. Mary's Road, Alwarpet,
Chennai-600 018

(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 September 27, 2017 (received at Reserve Bank on October 13, 2017) 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 (i) delay



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in submission of Form FC-GPR on allotment of shares with Reserve Bank, 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.

2. The relevant facts of the case are as follows: The applicant company was incorporated on November 02, 2015 under the provisions of the Companies Act, 1956 (Registration No. U40102TN2015PTC102849) and is engaged in business of electric power generation using solar energy. The applicant received foreign inward remittances amounting to ₹ 31,22,83,492.45 between 03.02.2016 and 13.10.2016 from i) M/s SunEdison Netherlands APAC Holdco B.V., Netherlands ii) M/s SunE Solar B.V., Netherlands towards subscription to equity shares and reported the same to the Reserve Bank within the stipulated time of 30 days.

3. The company allotted equity shares and filed FC-GPRs as indicated below:

Sl. No	No. of shares allotted	Face Value (in Rs.)	Amount (INR)	Date of allotment of shares	Reported to RBI on
1	9999	10	99,990.00	04.02.2016	10.03.2016
2	9612736	10	12,17,93,365.12	04.02.2016	24.05.2017
3	1	10	10.00	22.02.2016	18.04.2016
4	2566600(B)	10	2,56,66,000.00	03.03.2016	20.04.2016
5	19039006	10	19,03,90,060.00	13.10.2016	09.11.2016

The applicant filed form FC-GPRs as indicated above with delay ranging from five days to one year two months 20 days approximately beyond the prescribed limit in respect of the allotments at Sl. Nos. 1 to 4. 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 given an opportunity for personal hearing vide Reserve Bank's mail dated October 27, 2017 for further submission in person and/or producing



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documents, if any, in support of the application. The applicant vide e-mail dated October 31, 2017 opted not to appear for the personal hearing. The applicant, in the compounding application, had admitted the contravention as stated in para 3 above for which compounding has been sought. It had been submitted that the delays were 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 made in this context by the applicant.

5. I have given my careful consideration to the documents on record and submissions 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 1 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 and the contravention relates to an amount of ₹ 14,75,59,365.12 with the duration of contravention ranging from five days to one year two months 20 days approximately.

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 contraventions are to be compounded and I consider that an amount

of ₹ 1,39,160/- (Rupees one lakh thirty nine thousand one hundred and sixty only) will meet the ends of justice.

7. Accordingly, I compound the admitted contravention namely, the contravention of paragraphs 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 of 1,39,160/- (Rupees one lakh thirty nine thousand one hundred and sixty only) which shall be



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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 of accordingly.

Dated this First day of November, 2017.

Sd/-

R Kesavan
Chief General Manager