



Federal-Mogul Goetze (India) Limited
A Tenneco Group Company
Corporate Office : Paras Twin Towers,
10th Floor, Tower B, Sector 54,
Golf Course Road, Gurugram - 122 002
Tel. : (91-124) 4784530 • Fax : (91-124) 4292840

Date: 23rd August, 2024

1. Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400001

2. Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai 400051

Subject: Intimation regarding Order of the Assistant General Manager of Reserve Bank of India (RBI) under Reg. 30 of SEBI (LODR) Regulation, 2015

Dear Sir/Ma'am

Pursuant to provisions of Regulation 30 of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with other related circulars in this regard, we would like to bring to your kind notice that the Assistant General Manager of RBI vide the enclosed Order, received on August 23, 2024, directed the Company to pay Rs. 39,420/- towards suo-moto compounding by the Company.

The details are as follows: -

- i. Name of the authorities:** - Reserve Bank of India through its Assistant General Manager.

- ii. Nature and details of the action(s) taken, initiated or order(s) passed:** - Order for payment of Rs. 39,420/- towards suo-moto compounding by the Company.

- iii. Date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority:** - The order was received on August 23, 2024 (enclosed herewith as **Annexure – I**).

- iv. Details of the violation(s)/ contravention(s) committed or alleged to be committed:** - inadvertent delay in RBI filings related to Downstream Investments made by the Company.



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- v. **impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible:** - Not applicable except to the extent of payment of Rs. 39,420/-.

This is for your kind information & record.

Regards,

Your truly,

for **Federal-Mogul Goetze (India) Limited**

Dr. Khalid Iqbal Khan

Whole-time Director – Legal & Company Secretary

Corporate Identification Number: L74899DL1954PLC002452

Regd. Office : DLF Prime Towers 10 Ground Floor, F 79 & 80, Okhla Phase - I, New Delhi - 110 020

Tel. : (91-11) 49057597 • Fax : (91-11) 49057597

www.federalmogulgoetzeindia.com



In the
Reserve Bank of India
10/3/8, Nrupathunga Road
Bengaluru - 560 001

Present

Shri. Senthil R
Assistant General Manager

Date: August 23, 2024

C.A. BGL959/2024

In the matter of

M/s. Federal-Mogul Goetze (India) Limited
DLF Prime Towers, 10 Ground Floor, F-79 & 80,
Okhla Phase- I, South Delhi, New Delhi, India, 110020

(Applicant)

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

Order

The applicant has filed a compounding application dated May 31, 2024, that was received at the office of Reserve Bank of India, Bengaluru, on June 07, 2024, 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 delay in notifying the Department for Promotion of Industry and Internal Trade (DPIIT) and delay in filing form DI (Downstream Investment) to the Reserve Bank of India, after making downstream investment in another Indian entity, in contravention of Regulation 14(6)(ii)(a) 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 May 03, 2000, and as amended from time to time (hereinafter referred to as Notification No. FEMA 20/2000-RB) and Regulation 13.1(11) of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 notified vide Notification No. FEMA 20(R)/2017-RB dated





November 07, 2017, and as amended from time to time (hereinafter referred to as Notification No. FEMA 20(R)/2017-RB) respectively.

2. The relevant facts of the case are as follows: The applicant, M/s. Federal-Mogul Goetze (India) Limited was originally incorporated in the name of M/s. Goetze (India) Private Limited on November 26, 1954, under the Indian Companies Act, 1913, and on August 03, 2006, changed its name to the existing form. The business activity undertaken by the company is classified as 'Manufacture of engines and turbines, except aircraft, vehicle and cycle Engines'.

Further, M/s. Vyshali Energy Private Limited (hereafter referred to as 'the investee company'), was incorporated on April 04, 2008, and has a registered office in the state of Karnataka. The business activity undertaken by this company is classified as 'Electric power generation using other non-conventional sources.'

a. The applicant, owned and controlled by persons resident outside India, had made downstream investment in the investee company (another Indian entity). Therefore, the investment, deemed to be an indirect foreign investment, was notified to the Foreign Investment and Facilitation Portal (FIFP) of DPIIT with a delay, beyond the stipulated period of 30 days, as indicated in Table 1 below-

Table 1

Sr No.	Amount (₹)	Date of indirect foreign investment	Date of Notifying DPIIT	Delay period
1	3,25,000	10-08-2016	16-01-2024	7 Y 4 M 7 D

Y: Years, M: Months, D: Days

Whereas, in terms of Regulation 14(6)(ii)(a) of Notification No. FEMA 20/2000-RB, a company / LLP is to notify SIA, DIPP and FIPB of its downstream investment in the form available at <http://www.fipbindia.com> (now FIFP of DPIIT) within 30 days of such investment, even if capital instruments have not been allotted, along with the modality of investment in new/ existing ventures.

Thus, there is a contravention of Regulation 14(6)(ii)(a) of Notification No. FEMA 20/2000-RB, for which, the period of contravention is seven years four months and seven days, and the amount of contravention is ₹3,25,000/-.





b.i. Subsequently, the applicant had made two more downstream investments in the investee company and notified to the Foreign Investment and Facilitation Portal (FIFP) of DPIIT with a delay, beyond the stipulated period of 30 days, as indicated in Table 2 below-

Table – 2

Sr No.	Amount (₹)	Date of indirect foreign investment	Date of Notifying DPIIT	Delay period
1	3,69,040.00	31-12-2018	16-01-2024	4 Y 11 M 17 D
2	48,590.00	03-03-2018	15-01-2024	5 Y 9 M 13 D

Y: Years, M: Months, D: Days

Whereas, in terms of Regulation 13.1(11)(i) of Notification No. FEMA 20(R)/2017-RB, an Indian entity or an investment vehicle making downstream investment in another Indian entity which is considered as indirect foreign investment for the investee Indian entity in terms of these Regulations, shall notify the Secretariat for Industrial Assistance, DIPP (*now FIFP of DPIIT*) within 30 days of such investment, even if capital instruments have not been allotted, along with the modality of investment in new / existing ventures.

Thus, there is a contravention of Regulation 13.1(11)(i) of Notification No. FEMA 20(R)/2017-RB, for which, the period of contravention ranges from four years eleven months and seventeen days to five years nine months and thirteen days, and the amount of contravention is ₹4,17,630/-.

b.ii. Further, the above downstream investments were reported in Form DI to the Reserve Bank of India with a delay beyond the stipulated period of 30 days, as indicated in Table 3 below-

Table – 3

Sr No.	Amount (₹)	Date of indirect foreign investment	Date of filing Form DI with RBI	Delay period
1	3,69,040.00	31-12-2018	29-03-2024	5 Y 01 M 28 D
2	48,590.00	03-03-2018	29-03-2024	5 Y 11 M 27 D

Y: Years, M: Months, D: Days





Whereas, in terms of Regulation 13.1(11)(ii) of Notification No. FEMA 20(R)/2017-RB, an Indian entity or an investment Vehicle making downstream investment in another Indian entity which is considered as indirect foreign investment for the investee Indian entity in terms of Regulation 14 of these Regulations shall file Form DI with the Reserve Bank within 30 days from the date of allotment of capital instruments.

Thus, there is a contravention of Regulation 13.1(11)(ii) of Notification No. FEMA 20(R)/2017-RB, for which, the period of contravention ranges from five years one month and twenty-eight days to five years eleven months and twenty-seven days, and the amount of contravention is ₹4,17,630/-.

3. The applicant was given an opportunity for a personal hearing, vide Reserve Bank's e-mail dated August 19, 2024, for making further submissions in person and for production of documents, if any, in support of the application. However, the applicant, vide their email dated August 20, 2024, opted not to appear for the hearing. The application is, therefore, being considered on the basis of the averments made in the compounding application and the documents submitted therewith.

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) Regulation 14(6)(ii)(a) of Notification No. FEMA 20/2000-RB, due to delay in notifying DPIIT, after making downstream investment in another Indian entity as detailed in paragraph 2.a. above. The period of contravention is **seven years four months and seven days**, and the amount of contravention is **₹3,25,000/-**

(b) Regulation 13.1(11)(i) of Notification No. FEMA 20(R)/2017-RB, due to delay in notifying DPIIT, after making downstream investment as detailed in paragraph 2.b.i above. The period of contravention ranges from **four years eleven months and seventeen days to five years nine months and thirteen days**, and the amount of contravention is **₹4,17,630/-**

(c) Regulation 13.1(11)(ii) of Notification No. FEMA 20(R)/2017-RB, due to delay in reporting Form DI to RBI, after making downstream investment, as detailed in paragraph 2.b.ii above. The period of contravention ranges from **five years one month and twenty-eight days to five years eleven months and twenty-seven days**, and the amount of contravention is **₹4,17,630/-**





5. 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 also been avowed in the declaration furnished along with the compounding application that the applicant was not undergoing any enquiry/investigation/adjudication by DoE as on the date of the application, and has, in this regard, not been informed of any such enquiry/investigation/ adjudication proceedings against them. The above contraventions which are being compounded in this Order are subject to the veracity of the information furnished/ declaration(s) 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 information/ declaration(s) 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 compound the contraventions, in line with the Guidance Note on Computation Matrix prescribed as part of Master Direction – Compounding of Contraventions under FEMA, 1999, framed in accordance with the Foreign Exchange (Compounding Proceedings) Rules, 2000, and as amended from time to time. I am of the view that an amount of **₹39,420/- (Rupees Thirty-Nine Thousand Four Hundred and Twenty only)**, will meet the ends of justice.

7. Accordingly, I compound the admitted contraventions namely, contraventions of Regulation 14(6)(ii)(a) of Notification No. FEMA 20/2000-RB and Regulation 13.1(11) of Notification No. FEMA 20(R)/2017-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 **₹39,420/- (Rupees Thirty-Nine Thousand Four Hundred and Twenty only)** which shall be deposited by the applicant with the Reserve Bank of India, Foreign Exchange Department, First 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.

8. The above Order is passed only in respect of the instant admitted contraventions 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 this, the Twenty-third day of August 2024.

(Senthil R)
Assistant General Manager

