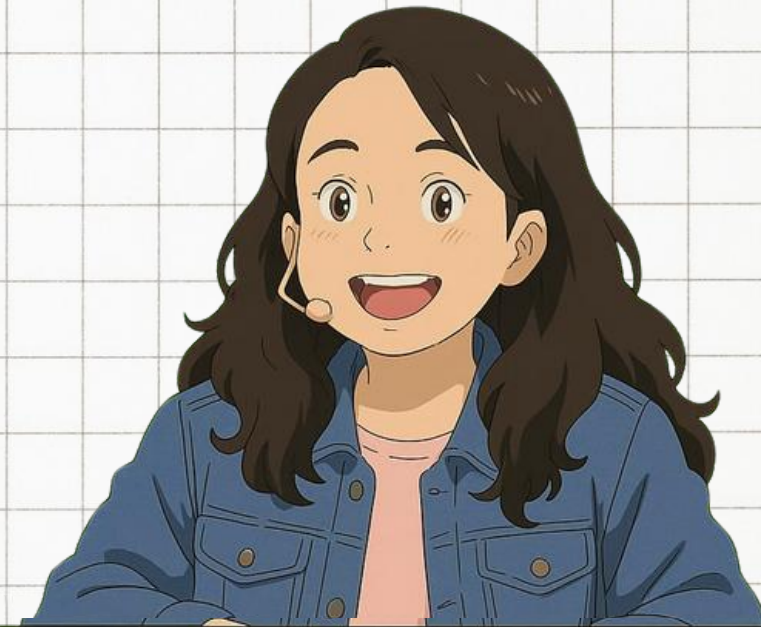


June 2025
Attempt

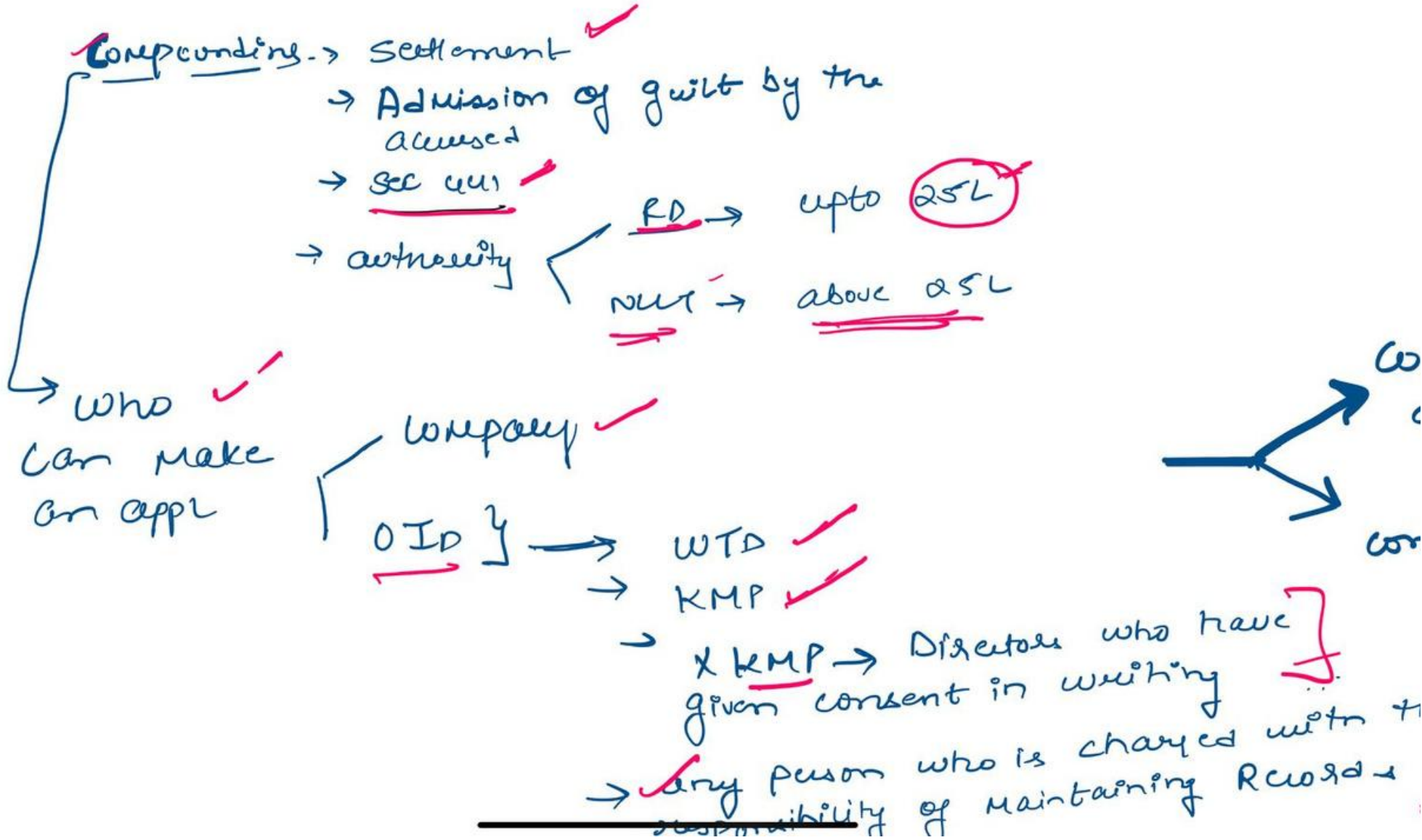
Chapter 07:

Relief & Remedies

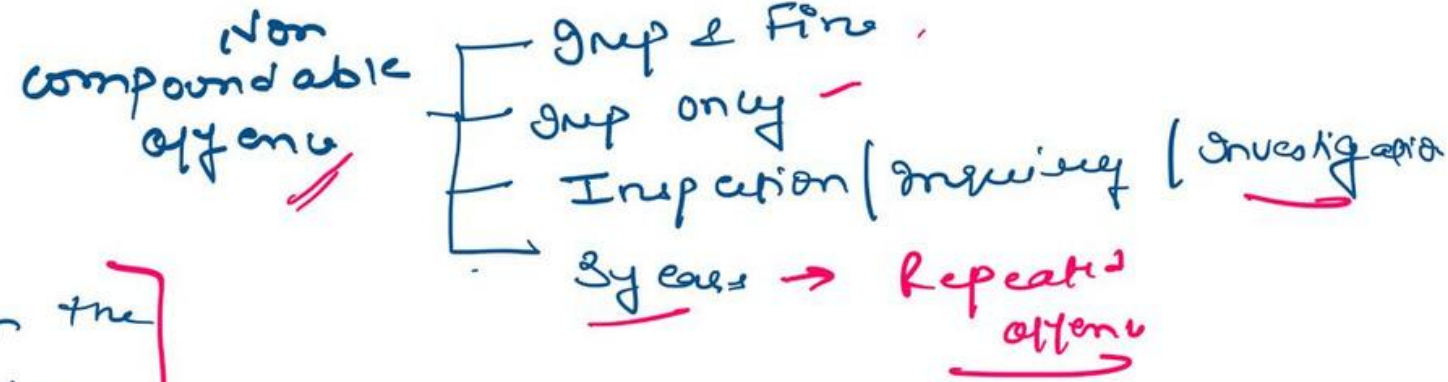
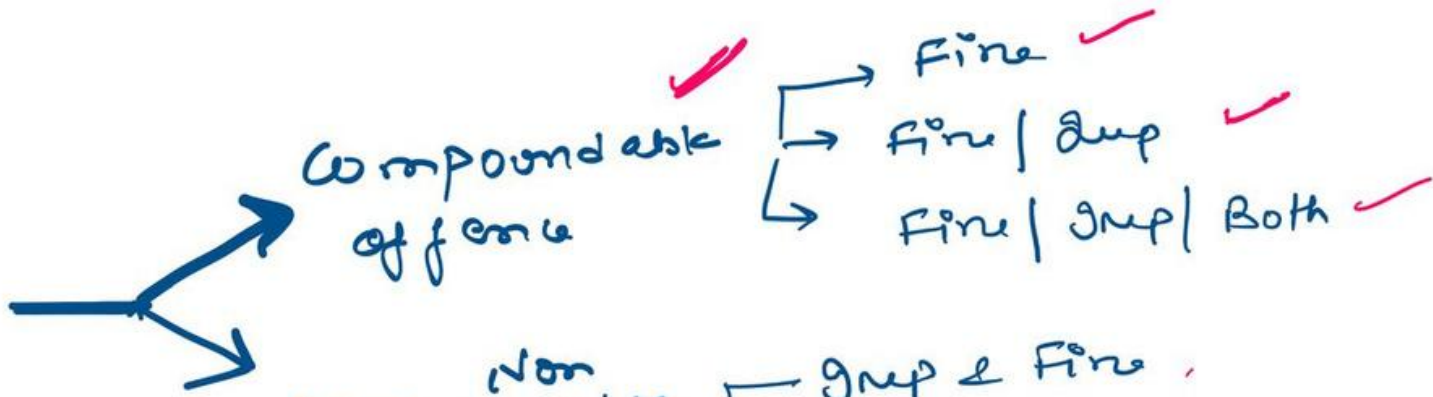
Handwritten Notes



Relief & Remedies



2



who have writing charged with the maintaining records

ding to whose →

carry , Cibacsit



< ke
2

OID

- WTD ✓
- KMP ✓

Non compoundable offence ✓

3

- X KMP → Directors who have given consent in writing
- ✓ any person who is charged with the responsibility of maintaining Records
- ✓ any person according to whose advice company operates.
- Every Director who is aware of

La

Patel Taxii Case:

<
 FD → upto 25L
 NR → above 25L

Company ✓

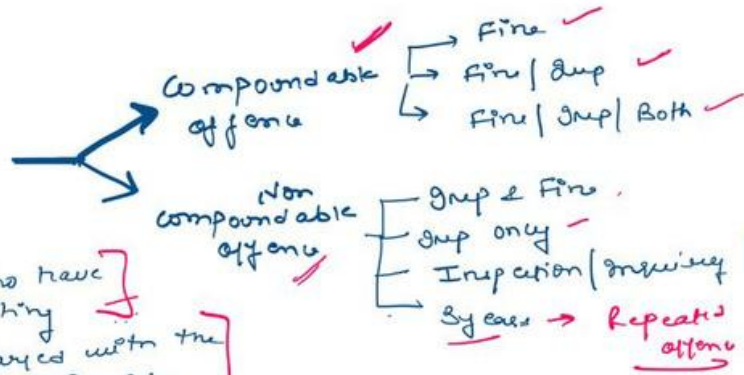
P } → WTD ✓
 → KMP ✓

X KMP → Directors who have given consent in writing

→ Any person who is charged with the responsibility of maintaining Records

→ Any person according to whose advice company operates.

→ Every Director who is aware of Cont. Convention



4

Carry Law

Cibulites Case

application for Compounding was accepted.

Patuja Taxii Case:

① Can a Joint application of Compounding be filed?

② How to calculate the limit of 25L

① of Tribunal has power to compound Cont. Convention less than 25L



responsibility of
 → Any person according to whose
 advice company operates.
 → Every Director who is aware of
 contravention

→ Carry Law }
 ↳

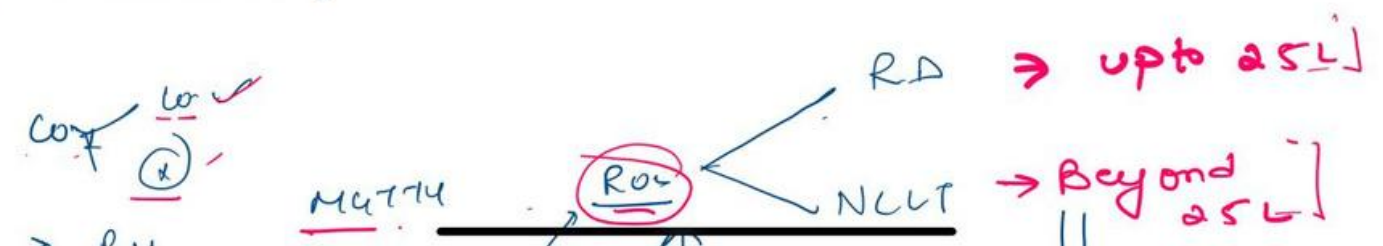
Circulars
 applicati
 compounding
 accepted

VJUP Patuja Taxii Case:

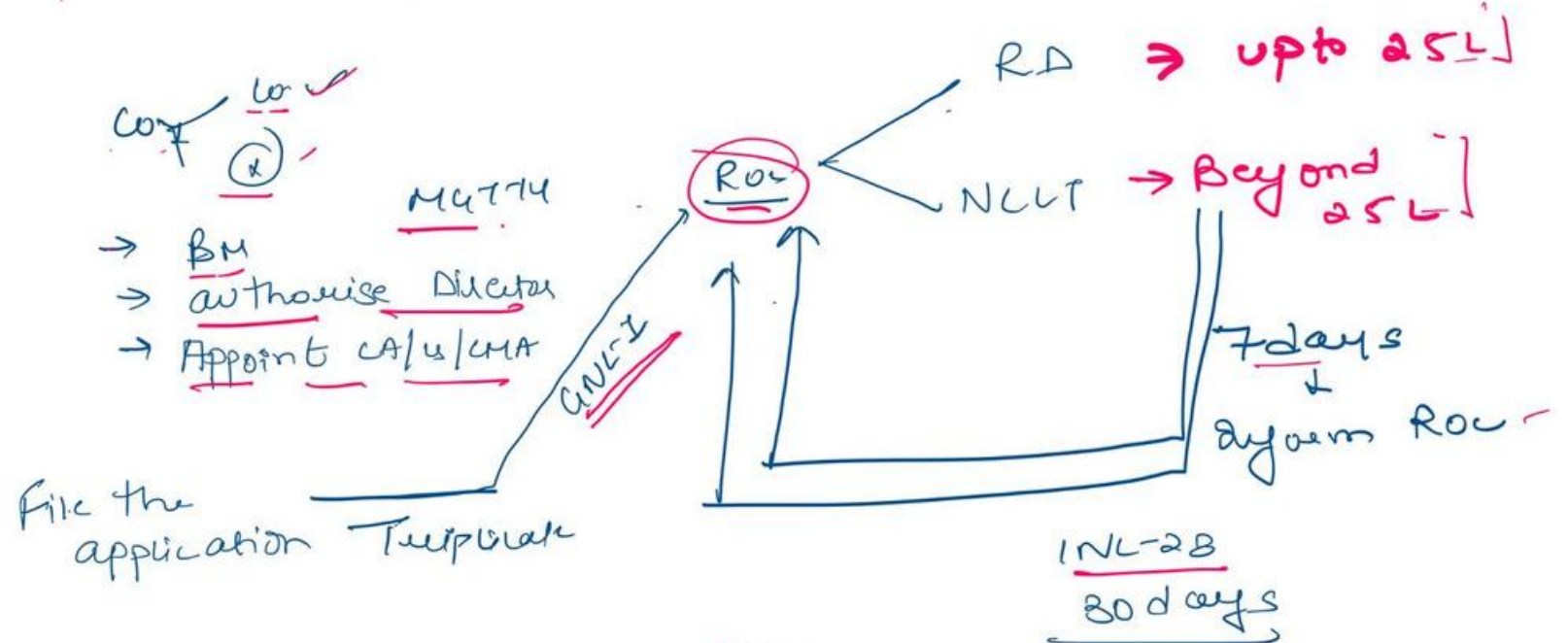
- ① Can a Joint application of compounding be filed?
- ② How to calculate the limit of 25L

③ of Tribunal has power to compound
 contravention less than 25L

Procedure for compounding



Procedure for Compounding



Compounding under SEBI Act

SAT
 Court before which proceedings are pending

Value
Prakash Gupta case





Compounding under SEBI Act

7

SAT
w

Court before
which proceedings
are pending

Vijay
Prakash
Gupta case

Settlement order / Consent order

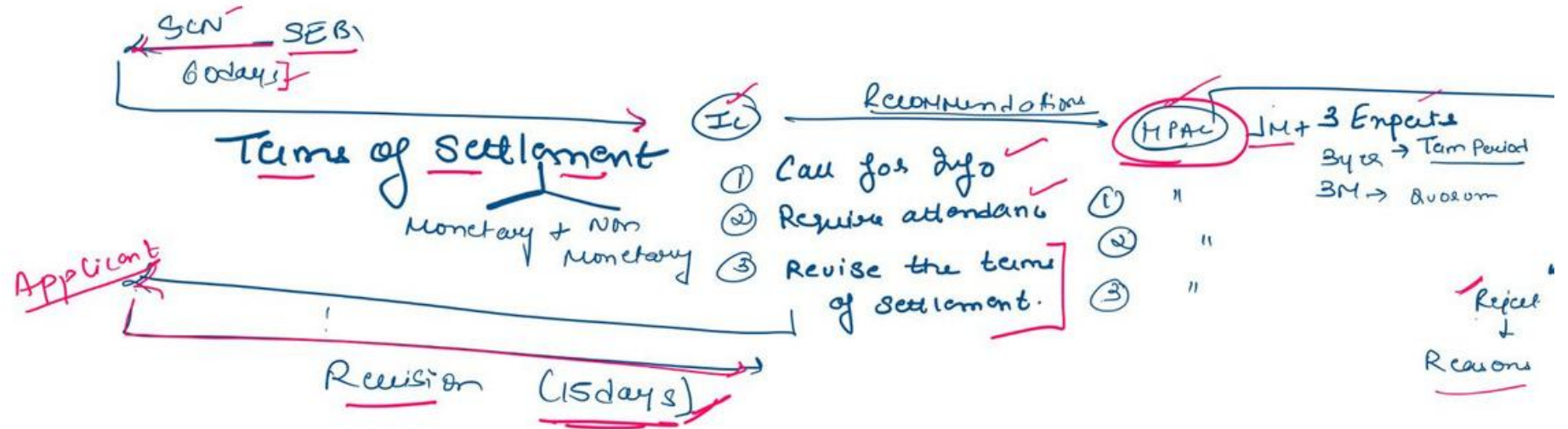
- Settle Asm / Civil Proceedings
- To create deterrent effect
- filed before initiation of Adjudication / Prosecution

Proceedure → IC → HPAC → Panel of WTM

SCN → SEBI



Procedure → IC → HPAC → Panel of WTM



- ✓ Market wide impact
- ✓ Application already rejected
- ✓ Inspection / Inquiry / Investigation Pending
- ✓ Amt → X Paid

X appl for settlement

Withdrawal → 50% insurance

< of (8) M

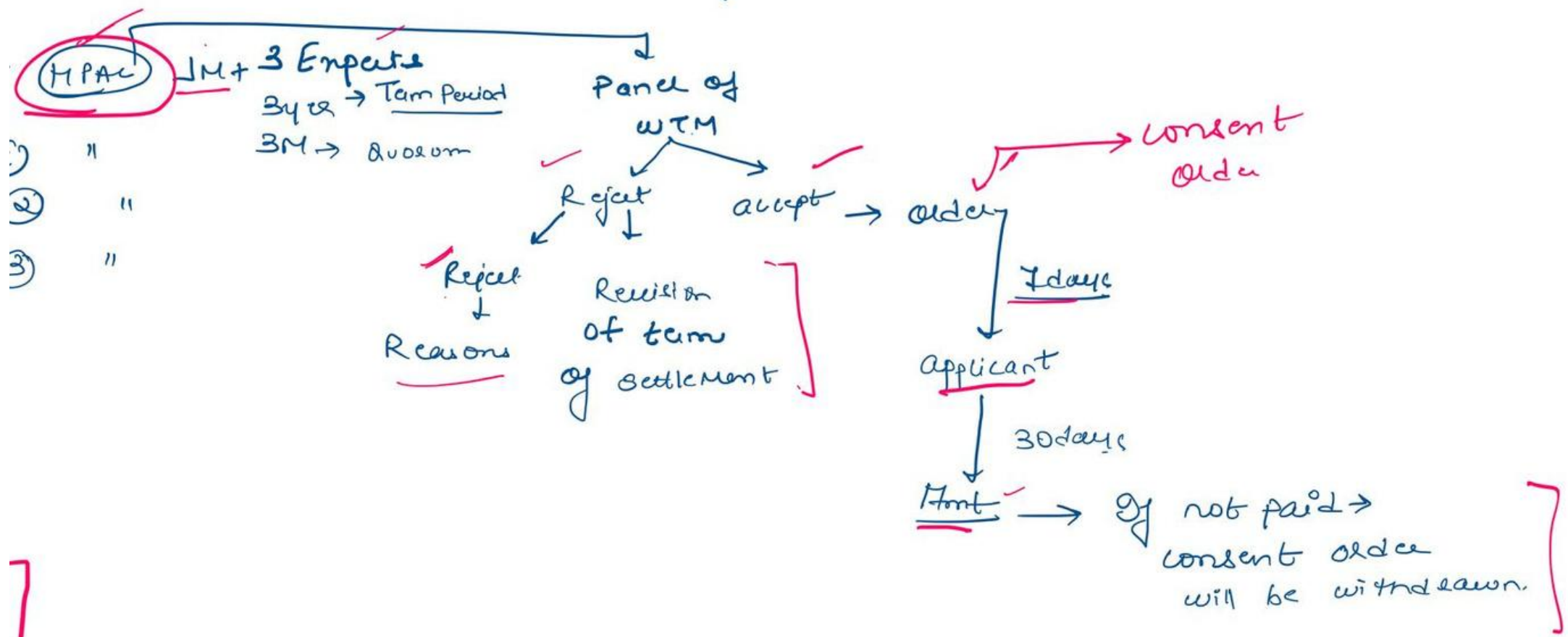
Appeal

Court → Complaint

Settlement

HLI Pan

(9)



10

Applicant

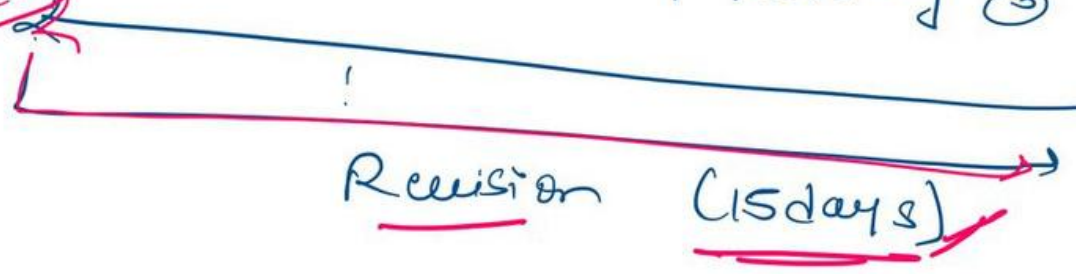
Monetary + Non Monetary
Monetary

- ①
- ② Reviser attendance
- ③ Reviser the terms of settlement.

① "

② "

③ "



- ✓ • Market wide impact
- ✓ • Application already rejected
- ✓ • Inspection / Inquiry / Investigation Pending
- ✓ • Amt → X Paid

X appl
for settlement

Withdrawal → 50% insurance

+
100% of HPA

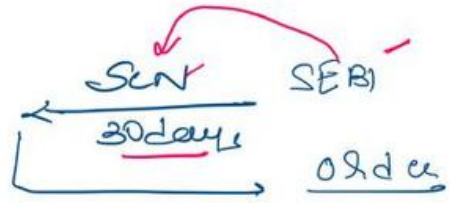
- Application already rejected
- Inspection / Inquiry / Investigation Pending
- Amount → X Paid

X appl
for settlement

11

Withdrawal → 50% success
+
Permission of MPAL

Summary Settlement Procedure



- file application ✓
- Pay the Amount ✓
- comply with Terms ✓
- Rectification [Extension 15 days]

Compounding under FEMA



- Pay the Amount ✓
- comply with Terms ✓
- Rectification [Extension 15 days]

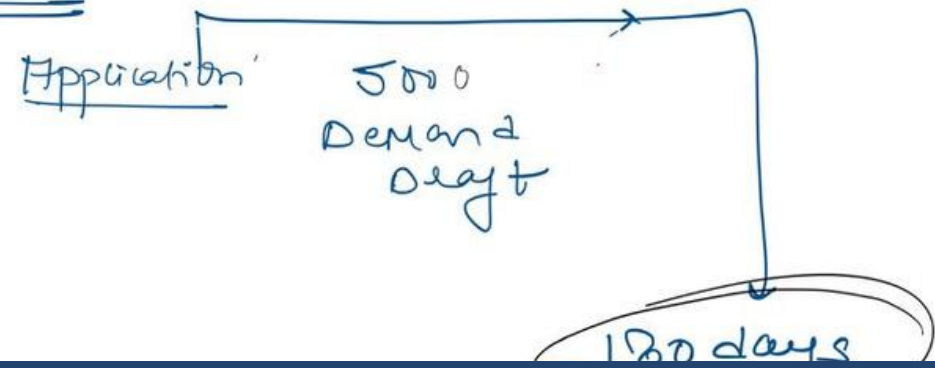
12

Compounding under FEMA

<u>RBI</u>	<u>ED</u>
upto 10 - Asst General Manager	upto 5
10 - 40 → Deputy Manager	5-10
40-100 → General Manager	10-50
above 100 → Chief GM	50-100
	above 100

- other
- Deputy Director
- Additional Director
- Special Director
- Special Director + Dy. Adviser
- Special Director of Directorate of Enforcement.

Process



Process

Application 5000 Demand Debt

13

180 days

Order
15 days

Payment

Mediation & Conciliation

X Interference by the Mediator

Interference by Conciliator but advisory

Panel of M&C

formed by RD
↓
appl in form
M&C-1

Tribunal appoint M&C

Qualification → SC Judge
→ HC Judge



14

X Interference by the Mediator

Interference by Conciliator but advisory

formed by RO

appl in form

MDC-1

Parties can SVO Motio or make appoint Mediator
 Tribunal appoint
 Make an appl to Tribunal
 Form **MDC-2**

Panel of M&C

M&C from the Panel

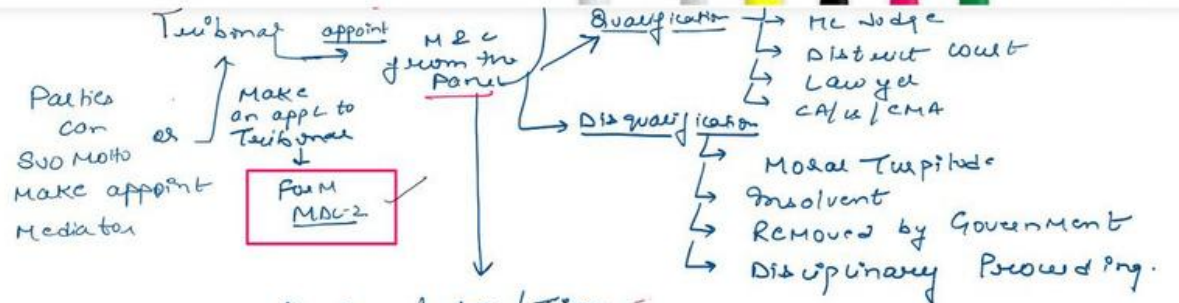
Qualification

- SC Judge
- HC Judge
- District Court
- Lawyer
- CA/CL/EMA

Disqualification

- Moral Turpitude
- Insolvent
- Removed by Government
- Disciplinary Proceed

- 1) fix date / Time
- 2) Place as decided by Govt / parties
- 3) Joint / separate Meetings of the parties
- 4) MEMO will be submitted 10 days
- 5) Each party will provide informa



15

- 1) fix date / time -
- 2) Place as decided by Govt / Parties
- 3) Joint / separate Meetings of the parties
- 4) Memo will be submitted 10 days prior
- 5) Each party will provide information

Consequences of Non-Attendance

→ If parties don't attend the mediation / conciliation for two consecutive times → M&C will not happen

Time limit → 3M + (Extension) ^{3M}

Communication between Mediator / conciliator & Tribunal

- Mediation is not possible
- Failure of party to attend session
- Consent of parties
- settlement between parties

in parties + give on settlement

After M&C order is

Time limit → 3M + (Extension)

Communication between
Mediator/Conciliator &
Tribunal

- Mediation is not possible
- Failure of party to attend session
- Consent of parties
- Settlement between parties

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→ parties
↓
give on settlement
terms
↓
communicated to
Mediator/Conciliator
↓
Settlement
order

After rec order is
passed → Tribunal
will fix a date
of hearing within
14 days.



Tribunal

17

Both parties
 ↓
 agree on settlement
 terms
 ↓
 Communicated to
 Mediator/Conciliator
 ↓
 Settlement
order

After MEC
passed -

