



Press Release
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RBI issued compounding order for FEMA violations in case of Ripe Accountancy Services Pvt. Ltd

The Reserve Bank of India (RBI) has issued a compounding order u/s 15 of Foreign Exchange Management Act, 1999 (FEMA), in the case of Ripe Accountancy Services Pvt. Ltd., which has resulted into termination of proceedings against the company for compounded contraventions of provisions of FEMA, 1999. The said order has been passed by RBI after issuance of "No Objection" by the Directorate of Enforcement (ED).

In this case, based on the credible information received, investigation was taken up by ED under the provisions of FEMA. After completion of investigation, ED filed complaint u/s 16 of FEMA before the Adjudicating Authority pointing out following contraventions under FEMA for which compounding has been done:-

1. Failing to report Form ARF for the receipt of foreign inward remittance within the prescribed time under Para 9(1)(A) of Schedule 1 of FEMA 20/2000-RB, covering Rs.10.39 lacs.
2. Delay in filing form FCGPR under Para 9(1)(B) of Schedule 1 of FEMA 20/2000-RB, covering Rs.99,000/-.
3. Failing to refund excess share application within the stipulated period under Para 8 of Schedule 1 of notification no. FEMA 20/2000-RB, covering Ra. 9,40,451.71/-.
4. Failing to file FLA Return for the FY 2017-18 to FY 2018-19 within the stipulated time under Para 9(2) of Schedule 1 of notification no. FEMA 20/2000-RB.
5. Failing to file FLA Return for the FY 2017-18 to FY 20108-19 within the stipulated time under Para 13.1(3) of notification no. FEMA 20(R)/2017-RB.
6. Failing to file FLA Return for the FY 2019-20 to FY 2023-24 within the stipulated time under Regulation 4(2) of notification no. FEMA 395/2019-RB.

The company, later on, filed an application before the RBI for compounding of the said contraventions under FEMA as per the provisions of Section 15 of the Act. On reference from RBI, the ED issued no objection for such compounding in line with the true spirit of the Act. Accordingly, the RBI, on the basis of no objection issued by ED, has compounded the said contraventions vide compounding order dated 30.01.2026 with a one-time payment of Rs. 1, 77,313/-. This has resulted into termination of adjudication proceedings under the provisions of FEMA against the company with regard to aforementioned contravention as well as further litigation.