



**PRESS RELEASE**  
**18/06/2026**

**RBI issued compounding order for FEMA violations in case of ZIFY TECH SOLUTION PRIVATE LIMITED.**

The Reserve Bank of India (RBI) has issued a compounding order on 10.06.2026 u/s 15 of Foreign Exchange Management Act (FEMA), 1999, in the case of ZIFY TECH Solutions Private Limited, 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:-

- Delay in reporting of inward remittances - Paragraph 9(1) (A) of Schedule 1 to the Notification No. FEMA 20/RB-2000 dated May 03, 2000 as then applicable.
- Delay in filing Form FC-GPR after issue of shares - Paragraph 9(1) (B) of Schedule 1 to the Notification No. FEMA 20/RB-2000 dated May 03, 2000 as then applicable.

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 10.06.2026 with a one-time payment of Rs. 26,080/-. 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.