

**Frequently Asked Questions (FAQs) on the SEBI Settlement Scheme for 150 Stock Brokers, 2022**

**Q. 1.** What is the Settlement Scheme for 150 Stock Brokers, 2022?

**A.** The Securities and Exchange Board of India has introduced a Settlement Scheme for 150 Stock Brokers, 2022 (“Scheme 2022”) vide Public Notice dated November 28, 2022. The purpose of the Scheme is to provide an opportunity to the Stock Brokers to settle the enforcement proceedings that have been approved/initiated against them and are pending, for executing trades in Illiquid Stock Options at BSE during the period April 01, 2014 and September 30, 2015.

**Q. 2.** What is the eligibility criteria for availing the Scheme 2022?

**A.** The Scheme 2022 would be applicable in respect of the Stock Brokers through whom trade reversals were executed by various clients as well as proprietary trades executed by the Stock Brokers in the Illiquid Stock Options segment of BSE during the period April 1, 2014 and September 30, 2015 and against whom enforcement proceedings have been approved/initiated and are pending.

**Q. 3.** Is a stock broker required to file another settlement application under Scheme 2022 with SEBI if a settlement application has already been filed under the regular settlement process and the application is pending before the Scheme 2022 was introduced?

**A.** In such a case, if none of the processes of regular settlement proceedings has been carried out and the settlement application is pending with SEBI, the applicant stock broker would be required to visit the link given below, enter their PAN and pay the specified settlement amount to settle the proceedings initiated against them. However, they need not pay the application fee once again as the same has already been paid during filing of the settlement application under regular settlement process. Such applicants would however be required to upload the requisite documents as mentioned at Answer 5 below using the following link.

<https://siportal.sebi.gov.in/intermediary/AOPaymentGateway.html>

**Q. 4.** Where can one access the information regarding the Scheme 2022?

**A.** Information regarding the Scheme 2022 is available on the website of SEBI (www.sebi.gov.in) and may also be accessed using the following link:

[https://www.sebi.gov.in/media/public-notices/nov-2022/public-notice-in-respect-of-sebi-settlement-scheme-for-150-stock-brokers-2022\\_65473.html](https://www.sebi.gov.in/media/public-notices/nov-2022/public-notice-in-respect-of-sebi-settlement-scheme-for-150-stock-brokers-2022_65473.html)

**Q. 5.** How to file a settlement application under the Scheme 2022?

**A.** An entity desirous of filing a settlement application under the Scheme 2022 is required to take the following sequential actions:

a) Click on the following link:

<https://siportal.sebi.gov.in/intermediary/AOPaymentGateway.html>

b) Select “Settlement Scheme” option from the drop down menu of “Type of Category”, enter the PAN, Captcha and click on “Go”

c) Online submission of the following scanned documents:

- i) A copy of duly notarised and stamped ‘Undertakings and Waivers’ in non-judicial stamp paper of Rs. 200 and above, duly paid as per Annexure -2.
- ii) A self-attested copy of the PAN Card of the applicant.
- iii) A duly filed application for settlement as per Annexure -1.

d) Payment of the non-refundable settlement application registration fee of Rs. 25,000/- + GST @18% in case of body corporates and Rs. 15,000/- + GST @18% in case of individuals.

e) Payment of the settlement amount as displayed in respect of the applicant.

Further, there will be no requirement for submitting any other physical documents.

**Q. 6.** What is the settlement amount applicable for me?

**A.** Under the Scheme 2022, the settlement amount as applicable is provided in the Show Cause Notice or intimation letter issued to the entity. The settlement amount payable will also be reflected on the screen accessed by using the following link:

<https://siportal.sebi.gov.in/intermediary/AOPaymentGateway.html>

**Q. 7.** What shall be the mode of payment of the application fee/settlement amount mentioned above?

**A.** Applicant shall make the online payment of the application fee/settlement amount using the following link:

<https://siportal.sebi.gov.in/intermediary/AOPaymentGateway.html>

**Q. 8.** When will the settlement order be passed under the Scheme 2022?

**A.** Subsequent to the closure of the Scheme 2022, a composite settlement order shall be passed by the competent authority.

**Q. 9.** Should one wait till the last day for filing the settlement application under the Scheme 2022?

**A.** It is advisable to file the settlement application under the Scheme 2022 at the earliest in order to avoid last minute rush. The Scheme 2022 would be operational from December 19, 2022 till January 19, 2023 (both days inclusive).

**Q. 10.** What action would be taken, if the Scheme 2022 is not availed?

**A.** Upon conclusion of the Scheme 2022, actions/proceedings as per the relevant provisions of securities laws shall be continued.

Any queries/technical issues with respect to the Scheme, 2022, maybe forwarded to [SS2022@sebi.gov.in](mailto:SS2022@sebi.gov.in). Helpline number 022-2644 9333 is also available between 02:00 pm to 04:00 pm from Monday to Friday (excluding public holidays).

**Part-A - FORM**  
**Application for settlement**

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**Before the Securities and Exchange Board of India**

In the matter of trading in the illiquid stock options at Bombay Stock Exchange (BSE) – in terms of the SEBI Settlement Scheme for 150 Stock Brokers, 2022.

1. Name/Trade name of the applicant/co-applicants:
2. PAN of the applicant:
3. Address/correspondence address, contact number and email:
4. Name and contact details (including e-mail) of the contact person (s):
5. Stage at which pending (Show Cause Notice/Appeal before SAT or Court, whichever applicable):
6. Date of Show Cause Notice/Appeal before SAT or Court (including reference number, wherever applicable):
7. Documents to be uploaded:
  - (a) Undertakings and waivers (as per Format specified in Annexure 2).
  - (b) Copy of the PAN card.

(Signature of the applicant)

(Stamp and Seal of the applicant in case of body corporate  
along with Signature of the authorised representative(s))

**Undertakings and Waivers**

**Format**

Undertaking to be submitted by each applicant, along with the application with stamp duty duly paid and duly notarized at the time of execution.

I/We, ....., the applicant(s) herein, as a condition for making the enclosed application to the Board for examining and consideration of the application, hereby declare that I/we agree and undertake that:

- (1) I/We admit the jurisdiction and right of the Securities and Exchange Board of India to initiate appropriate proceedings in respect of the alleged default.
- (2) I/We further agree and undertake that the time spent during the settlement proceedings shall be excluded for computing the limitation period or laches, if any, for initiating or continuing or restoring any legal proceedings, if any, against me/us, and waive any objections in this regard.
- (3) The Securities and Exchange Board of India may enforce any claims against me/us arising from or/in relation to any violation of the settlement order passed pursuant to this application.
- (4) Nothing in the settlement order shall preclude any other person from pursuing any other legal remedy to which such person may be entitled against me/us as per law.
- (5) The settlement proposed by me/us does not limit or create any private rights or remedies for any person who is not a party to these proceedings, against me/us.
- (6) The settlement amount including legal costs, if any, shall be paid by me/us to the Board within the period stipulated by the Board.
- (7) The settlement order shall be construed and enforced in accordance with the Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018, as amended from time to time.

- (8) I/We agree that subsequent to the passing of the settlement order, I/We shall not take any action or make or permit to be made any public statement denying, directly or indirectly, any finding of the Board including that recorded in the settlement order or creating impression that the settlement order is without factual basis.
- (9) I/We hereby declare that nothing in the waiver and undertaking given by me/us shall affect my/our (i) testimonial obligations, or (ii) right to take legal or factual positions in defence of litigation or in defense of a claim or in any other legal proceeding in which the Board is not a party.
- (10) I/We for the limited purpose of settlement under these regulations 'admit the findings of fact and conclusions of law' or 'neither admit nor deny the findings of fact and conclusions of law' (strike off whichever is not applicable), and agree to abide by the settlement order as may be passed in accordance with the Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 and guidelines and circulars issued by the Board in that regard:
- Provided that, in relation to defaults related to disclosures other than relating to a prospectus or a letter of offer or a similar such document required to be made in relation to an issue of securities, I/we do not deny the alleged default.
- (11) I/We waive my/our right of taking any legal proceedings against the Securities and Exchange Board of India concerning any of the issue covered in the settlement order that may be passed.
- (12) I/We further waive the following:
- (a) the findings of fact and conclusions of law;
  - (b) the proceedings before the Board or any officer of the Board;
  - (c) the right to all post-hearing procedures;
  - (d) appeal/review before the Tribunal/courts;
  - (e) any plea relating to such provisions of the regulations or other requirements of law, including conflict of interest, as may be construed to prevent any member or officer of the Securities and Exchange Board of India from participating in the proceedings, including settlement proceedings or assisting or advising the Internal Committee, High Powered Advisory Committee or Panel of Whole Time Members, as to, any order, opinion, finding of fact, or conclusion of law, etc.;
  - (f) any plea of bias or pre-judgment by the Securities and Exchange Board of India, the officers or the High Powered Advisory Committee, based on the consideration of or discussions concerning settlement of all or any part of the internal proceedings; and

(g) any plea of limitation or laches for initiating or restoring of the proceedings, if the applicant violates the settlement order.

(13) I/We undertake as a condition of settlement to not seek, directly or indirectly, any set-off, reimbursement by way of indemnification, insurance coverage or any other form of non-tax reimbursement.

(Signature of the applicant with stamp and seal of the body corporate)

Before me.

Notary.