

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1395

ANSWERED ON:04.03.2011

FEMA VIOLATION

Nahata Smt. P. Jaya Prada;Shekhar Shri Neeraj;Singh Shri Yashvir

Will the Minister of FINANCE be pleased to state:

- (a) whether a statutory autonomous body of the Government of India had made payment of Rs.146 crore to United Kingdom based firm without permission of Reserve Bank of India (RBI) and thereby has violated the Foreign Exchange Management Act, 1999 (FEMA);
- (b) if so, the details thereof;
- (c) whether Enforcement Directorate has enquired into the matter;
- (d) if so, the details thereof;
- (e) if not, the reasons therefor; and
- (f) the details of action taken by his Ministry against the real culprits?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a) to (f): Investigations in the matter have been initiated by the Directorate of Enforcement under the provisions of Foreign Exchange Management Act, 1999 (FEMA), which are currently in progress.