

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:5033  
ANSWERED ON:02.09.2011  
FEMA VIOLATION  
Pakkirappa Shri S.

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government has any record of violations of Foreign Exchange Management Act, 1999 (FEMA) that has taken place in the Country;
- (b) if so, the number of prosecutions made and Show Cause Notices issued in the last three years, State-wise;
- (c) the action taken against persons violating the law in the last three years; and
- (d) the nature of offences or violations committed in the last three years?

**Answer**

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

(a):- Yes, Madam.

(b) to (d):- The foreign Exchange Management Act, 1999 is a civil act in nature as such there is no provision for launching the prosecutions. During the last three years i.e; 2009-10, 2010-11 & 2011-12 (upto July, 2011), the Directorate of Enforcement has issued 990 Show Cause Notices to various persons/ firms under Foreign Exchange Management Act, 1999 (FEMA), for initiating the adjudication proceedings. The Zone-wise details of the Show Cause Notices issued during the last three years is as under:-

Zone    No. of SCN issued

Ahmedabad 39  
Bangalore 62  
Chandigarh 102  
Chennai 163  
Cochin 241  
Delhi 20  
Hyderabad 55  
Lucknow 92  
Kolkata 84  
Mumbai 131