

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2799

ANSWERED ON:29.08.2012

ISSUE OF NOTICES UNDER FEMA

Adhalrao Patil Shri Shivaji;Adsul Shri Anandrao Vithoba;Dharmshi Shri Babar Gajanan;Yadav Shri Dharmendra;Yaskhi Shri Madhu Goud

Will the Minister of FINANCE be pleased to state:

- (a) whether the Union Government has issued notices to firms for violation of Foreign Exchange Management Act (FEMA);
- (b) if so, the names of the firms to whom the notices were served during the last six months; and
- (c) the action taken by the Union Government in each case?

Answer

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

(a) Yes sir.

(b) to (c) Based on the investigations carried out by Directorate of Enforcement, the Adjudicating Authorities under Foreign Exchange Management Act, 1999 (FEMA) have issued Show Cause Notices to 33 firms/Companies during last 6 months for the contravention of the relevant provisions of the said Act. Since the proceedings, quasi-judicial in nature, are currently under way therefore in the interest of investigation, it would not be appropriate to disclose the name of the Companies. In addition to Directorate of Enforcement, RBI also issues memorandum and cautionary advices for contraventions of Foreign Exchange Management Act, 1999 (FEMA) which are material and technical in nature. During the last 6 months RBI has issued 873 cautionary advices and 480 memorandums to the contraveners.