

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:1471  
ANSWERED ON:03.12.2012  
VIOLATION OF FDI IN RETAIL  
Panda Shri Prabodh

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

(a) whether the Government is investigating some cases of violation of Foreign Direct Investment (FDI) in retail market against Wal-Mart company and other companies; and

(b) if so, the outcome thereof and the action taken by the Government against the erring companies?

**Answer**

THE MINISTER OF COMMERCE & INDUSTRY(SHRI ANAND SHARMA)

(a) & (b): References alleging that some companies are carrying out activities in violation of the FDI policy in retail market, have been received.

Violation of FDI regulations is covered by the penal provisions of the Foreign Exchange Management Act, 1999 (FEMA). The Reserve Bank of India has informed that matters related to Bharti Wal-Mart/Cedar Support Services Limited and M/s Flipkart Online Services Pvt. Limited, respectively, have been referred to the Directorate of Enforcement for further investigations.