

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1800  
ANSWERED ON:16.08.2013  
VIOLATION OF FEMA RULES  
Annayyagari Shri Sai Prathap

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

- (a) whether the Enforcement Directorate has issued showcause notices to Telecom Companies for violation of Foreign Exchange Management Act (FEMA) rules in the recent past;
- (b) if so, the details thereof for the last three years and the current year; and
- (c) the action taken by the Government against these companies during the aforesaid period, company-wise?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI J.D. SEELAM)

(a) to (c) : Based on the investigations conducted by the Directorate of Enforcement, the Adjudicating Authorities have issued 16 Show Cause Notices during the years 2011, 2012 & 2013 (till 31.07.2013) under Foreign Exchange Management Act (FEMA) to certain Telecom Companies and other connected individuals/entities for the alleged contravention of the relevant provisions of FEMA.

Adjudication proceedings have since been completed against one company namely, 'Idea Cellular Limited' which was held guilty of the contravention of the provisions of FEMA and a penalty of Rs. 2.90 Crores was imposed. The penalty amount stands realized.