

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1508  
ANSWERED ON:13.12.2013  
INVESTMENT BY RETAIL GIANT  
Panda Shri Prabodh

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

- (a) whether the Enforcement Directorate (ED) has made investigation into the investment made by a retail Multi National Company (MNC) in Cedar Support Services in 2010;
- (b) if so, the details and the findings thereof;
- (c) whether the ED has absolved the company of any violation of FEMA; and
- (d) if so, the details thereof?

**Answer**

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

- (a) Yes Sir, Enforcement Directorate had initiated investigations under Foreign Exchange Management Act, 1999 (FEMA) into the investment made by a retail Multi National Company (MNC) in Cedar Support Services in 2010.
- (b) to (d) During investigation, on a request from Cedar Support Services Ltd. for compounding the FEMA contravention, a proposal was received in the Directorate from Reserve Bank of India (RBI). The Directorate has conveyed that it has no objection if the contravention is compounded by RBI. A decision on the compounding application is to be taken by RBI.