

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3540
ANSWERED ON:11.12.2009
INVESTIGATION OF COMPANIES
Majhi Shri Pradeep Kumar

Will the Minister of FINANCE be pleased to state:

- (a) whether the investigations of the case referred by Reserve Bank of India (RBI) relating to violation of provisions of Foreign Exchange Management Act (FEMA), 1999 by some companies has been completed;
- (b) if so, the details thereof and the outcome thereof;
- (c) if not, the reasons for delay in completing investigations of the case;
- (d) whether the Directorate of Enforcement has fixed any time to complete the investigations in the case; and
- (e) if so, the details in this regard?

Answer

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

- (a) to (c): The Directorate of Enforcement receives references from the Reserve Bank of India from time to time for examining suspected cases of contravention of Foreign Exchange Management Act, 1999 (FEMA). Based on such references, in the last three years, 2007-08 onwards, in 10 cases appropriate action under FEMA has been taken by the Directorate of Enforcement.
- (d) to (e): The Directorate of Enforcement takes early possible steps for completion of investigations expeditiously.