

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION
LOK SABHA**

**UNSTARRED QUESTION NO. 1263.
TO BE ANSWERED ON MONDAY, THE 25TH JULY, 2016.**

CASES OF VIOLATION OF FDI NORMS

1263. DR. BHOLA SINGH:

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether cases of violation of Foreign Direct Investment (FDI) norms by many companies have been reported and forwarded to the Directorate of Enforcement (DoE) for investigation during the last three years;
- (b) if so, the details thereof along with the action taken by the DoE in these cases, company-wise; and
- (c) the other corrective steps taken by the Government to keep a check on such violation of FDI norms by the companies?

ANSWER

**वाणिज्य एवं उद्योग राज्यमंत्री (स्वतंत्र प्रभार)(श्रीमती निर्मला सीतारमण)
THE MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMERCE & INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)**

- (a) &(b):** No such data is centrally maintained. However, 81 Cases have been under investigation in the Directorate of Enforcement for alleged contravention of the provisions of Foreign Exchange Management Act, 1999 (FEMA) relating to FDI, out of which Show Cause Notices were issued in 22 cases. Details of cases are as below :-

Year	No. of cases investigated for the violation of FDI norms by the companies
2013	16
2014	22
2015	24
2016 (up to 30.06.2016)	19
Total	81

Remaining 59 cases are at various stages of investigation. Disclosure of name of companies and other details of these cases at this stage may not be in public interest as the same may hamper the investigations.

- (c):** Enforcement Directorate conducts investigation under the Foreign Exchange Management Act, 1999 (FEMA) in cases of contravention of FDI policy by various entities as and when any credible information is received in this regard. Based on the outcome of the investigation, appropriate action under the provision of FEMA is taken in such cases.
