



PRESS RELEASE

03/03/2025

Directorate of Enforcement (ED) has issued **Show Cause Notice (SCN)** to **M/s One97 Communication Ltd** (Parent company of **Paytm**), and its Managing Director and others for the contraventions of provisions of **FEMA, 1999**.

Special Director of Enforcement (Adjudication), New Delhi, has issued a Show Cause Notice (SCN) to **PayTM's** flagship company **M/s One 97 Communication limited (OCL)**, its Managing Director and other Paytm subsidiary companies viz. M/s Little Internet Pvt Ltd and M/s Nearbuy India Pvt Ltd, for the contraventions of the provisions of FEMA, 1999, to the tune of around **Rs. 611 Crore**. Investigation conducted by ED reveals that Paytm's flagship company OCL had made foreign investment in Singapore and did not file necessary reporting to RBI for creation of overseas step down subsidiary. Further, OCL had also received Foreign Direct Investment from overseas investors without following proper pricing guidelines stipulated by RBI.

OCL's subsidiary company in India, M/s Little Internet Pvt Ltd, had also received Foreign Direct Investment (FDI) from overseas investors without following the pricing guidelines stipulated by RBI. M/s Nearbuy India Pvt Ltd, another subsidiary of OCL, did not report the Foreign Direct Investment (FDI) received by the company within the time frame prescribed by the RBI.

SCN has been issued to initiate the adjudication proceedings under FEMA 1999.