



Press Release
16/2/2026

Adjudicating Authority, FEMA passes Adjudication Order Imposing Rs.184 Crore Penalty in Foreign Exchange (FEMA) Contravention in Case of M/s PPK Newsclick Studio Pvt. Ltd.

The SDE(Adjudicating Authority), Foreign Exchange Management Act, 1999 (FEMA), has passed an Order-in-Original dated 16.02.2026 under the provisions of the Foreign Exchange Management Act, 1999 (FEMA) in an adjudication proceeding in the case of M/s PPK Newsclick Studio Pvt. Ltd relating to violations of foreign exchange law involving foreign direct investment and foreign inward remittances.

The adjudication proceedings arose from a complaint under Section 16 of FEMA filed by the Directorate of Enforcement alleging contraventions of FEMA and the rules and regulations made thereunder in connection with receipt and utilisation of foreign funds.

The Adjudicating Authority, after detailed examination of records, evidence, and submissions of the noticees, held that:

- Foreign Direct Investment (FDI) amounting to approximately Rs.9.59 Crore was received during F.Y 2018-19 by misrepresenting the nature of business activity in statutory filings, thereby bypassing prescribed sectoral conditions and entry route requirements under FEMA.
- Foreign inward remittances aggregating to Rs. 82.63 Crore, purportedly received between F.Y 2018-19 to 2023-24 towards export of services, were found to be in contravention of FEMA provisions due to misclassification of exports and failure to comply with mandatory reporting requirements, including submission of SOFTEX forms.
- The transactions were deliberately structured in a manner that defeated the objectives of the foreign exchange regulatory framework.
- Prabir Purkayashta, the Director of the company was found to be in charge of and responsible for the conduct of business at the relevant time and was therefore held liable under Section 42 of FEMA.

The Adjudicating Authority observed that the contraventions were **substantial, deliberate, and systemic in nature**, involving large-scale foreign exchange transactions and breach of statutory declarations furnished to regulatory authorities. Therefore, in exercise of powers under Section 13(1) of FEMA, the following penalties have been imposed by the Adjudicating Authority (FEMA):

- Rs. 120 Crore on M/s PPK Newsclick Studio Pvt. Ltd.
- Rs. 64 Crore on Prabir Purkayashta, Director of the company.

The total penalty imposed amounts to **Rs. 184 Crore**.