

**GOVERNMENT OF INDIA  
SMALL SCALE INDUSTRIES  
LOK SABHA**

UNSTARRED QUESTION NO:4504  
ANSWERED ON:19.12.2001  
MNCS IN SSIS SECTOR  
RAM TAHAL CHOUDHARY

**Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:**

- (a) whether the Government are aware that a number of multinational companies have entered the small-scale industries sector surreptitiously and in an irregular manner;
- (b) whether the Government have received any complaint from the Federation of Small-Scale Industries of India demanding punishment to these companies and stopping reservation of the products reserved for small-scale industries sector; and
- (c) if so, the reaction of the Government thereto?

**Answer**

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES, MINISTER OF STATE IN THE DEPARTMENT OF PERSONNEL AND TRAINING, DEPARTMENT OF PENSIONS AND PENSIONERS WELFARE, MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE DEPARTMENT OF ATOMIC ENERGY AND SPACE (SHRIMATIVASUNDHARA RAJE)

- (a): Government have occasionally received information of violation of reservation policy by some Multinational Companies (MNCs). Action against the violators of the reservation policy is initiated as per the provisions of the Industries (Development and Regulation) Act, 1951. Further, no MNC can hold more than 24% equity in any SSI unit.
- (b): No, Sir.
- (c): Does not arise.