

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1958
ANSWERED ON:24.08.2007
PROTECTION OF INDIAN COMPANIES
Rao Shri Sambasiva Rayapati

Will the Minister of FINANCE be pleased to state:

- (a) whether any fiscal measures have been taken by the Ministry recently to protect the interests of Indian companies while entering into a joint venture with Multi National Companies (MNCs)/foreign companies;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor; and
- (d) the steps taken by the Union Government in this direction?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) No, Sir.

(b) Does not arise.

(c) & (d): The interests of Indian companies who have existing joint venture with foreign companies as on January 12, 2005 are protected by policy measure as per the Foreign Direct Investment policy whereby any new venture by the same foreign company requires prior government approval so that their interest is not jeopardized.