

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:5615
ANSWERED ON:10.05.2012
MLM COMPANIES
Ajay Kumar SHRI

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Government is aware that the Multi Level Marketing (MLM) companies are prevalent in India;
- (b) if so, the details thereof alongwith the total number of MLM companies in the country;
- (c) whether the Government has proposed any guidelines for these MLM companies;
- (d) if so, the details thereof;
- (e) whether the Government has taken any action against any MLM company in last three years;
- (f) if so, the details thereof;
- (g) whether the Government has collected tax from these companies; and
- (h) if so, the details thereof during the last three years?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI R.P.N. SINGH)

- (a) & (b) There is no separate activity code to identify Multi Level Marketing (MLM) companies. Therefore, these companies cannot be separately identified from the list of companies registered under the Companies Act, 1956.
- (c) & (d) There are no separate guidelines for MLM companies.
- (e) to (h) In view of the reply at (a) and (b) above, no such information is available.