GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE

RAJYA SABHA

UNSTARRED QUESTION NO. 1827.

FOREIGN CAPITAL INVESTMENT FOR INDUSTRIAL DEVELOPMENT

1827. SHRI RAJMANI PATEL:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government has adopted the policy of attaching priority to the foreign capital investment for industrial development of the country;

(b) if so, the reaction of Government thereto and whether both foreign capital investment and foreign technology are utilised in the country on priority basis;

(c) if so, the details thereof and whether foreign industrial technology is often capital intensive technology in place of being labour intensive, which produces employment; and

(d) if so, the reaction of Government thereto?

ANSWER

THE MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)

(a) to (d): Foreign Direct Investment (FDI) is a major driver of economic growth and a source of non-debt finance for the economic development of India. FDI inflows serve to augment domestic capital and help to promote industrial development and employment generation across sectors. It has been the endeavour of the Government to put in place an enabling and investor friendly FDI policy. Government reviews FDI policy on an ongoing basis and changes are made in the FDI policy regime, from time to time, to ensure that India remains increasingly attractive and investor-friendly investment destination.

The technology brought into the country through FDI is largely a matter of private business decisions of foreign investors. However, no information is maintained centrally about the nature of technology brought into the country.

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