

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:604
ANSWERED ON:23.02.2001
FOREIGN DIRECT INVESTMENT
ANANDRAO ADSUL,SUDHA YADAV

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

- (a) whether as per recent survey by FICCI, MNCs prefer India for investment;
- (b) if so, the details of the survey with the suggestions given by FICCI and MNCs in regard to the FDI; and
- (c) the steps taken by Government to attract more FDI in India particularly in infitracted sector?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (DR. RAMAN SINGH)

(a) & (b) FICCI has undertaken a survey on the experience of Foreign Direct Investors in India stating therein that a majority of the foreign investors are interested in investing in India. This interest is attributed to growth potential and profitability of companies in India. Other factors are the legal framework, quality and availability of manpower, ease of market penetration, ease of fund flow and profit repatriation available in India.

(c) Government has already put in place a transparent, dynamic and investment friendly FDI policy, placing almost all activities under the automatic route for FDI upto 100% except a small list, with a view to attracting more foreign investment into the country .