

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

UNSTARRED QUESTION NO:2543

ANSWERED ON:14.03.2006

SINGLE WINDOW CLEARANCE FOR INDUSTRIAL INVESTMENT

Mahajan Smt. Sumitra;Meghwal Shri Kailash;Owaisi Shri Asaduddin

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

- (a) the details with regard to the system to be followed by an investor for investment in industrial sector;
- (b) whether the investors are required to obtain clearance from several Government agencies prior to investment in industrial sector despite having the system of single window clearance;
- (c) if so, the details thereof alongwith the measures being taken by the Government for the speedy disposal of industrial investment proposals;
- (d) whether FICCI has requested the Government to get away with the cumbersome process of clearance of industrial investment proposals; and
- (e) if so, the details thereof alongwith the reaction of the Government?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR)

(a) to (e): Under the liberalized economic environment, most sectors/ activities have been deregulated from licensing requirements and entrepreneurs desirous of setting up of industrial units are required to file Industrial Entrepreneur Memorandum (IEM). Foreign Direct Investment (FDI) upto 100% is allowed under the automatic route in most sectors/ activities. However, the policy is subject to sectoral regulations & requisite clearances. FICCI has requested the Government to simplify the clearance mechanism of industrial investment proposals. Industrial Policy, including FDI Policy, is reviewed on a continuing basis with a view to liberalise, and simplify the procedures.