

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

UNSTARRED QUESTION NO:4073
ANSWERED ON:14.12.2001
INDO-US TALKS
PRABHA RAU

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

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(a) whether the Government plan to have a comprehensive dialogue with USA; (

(b) if so, the area identified for cooperation; (

(c) the amount of investment expected from USA during 2002-2003; and (

(d) the areas in which the investments are expected in the coming years?

Answer

MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) & (b) : India and USA have signed a document on the formation of Terms of Reference for the India-United States Commercial Dialogue on March 23, 2000 in New Delhi with the aims to (a) facilitate trade (b) maximize investment opportunities across a broad range of economic sectors, including information technology, infrastructure, biotechnology and services. During the visit of Prime Minister to USA in November 2001, two sides have agreed to resume and expand the bilateral economic dialogue, which includes, besides the Financial and Economic Forum, Commercial Dialogue and Working Group on Trade Policy, two new components covering Energy and Environment issues.

(c) & (d) : During 1991-2001 (upto 30.9.2001), cumulative inflow of FDI from USA is US \$ 2.91 billion excluding FDI inflows received for ADRs/GDRs, acquisition of shares, NRI schemes and advance pending for issue of shares. Top sectors attracting FDI from USA are Fuels (Power & Oil Ref.), Telecommunications, Food Processing Industries, Electrical Equipments (Computer Software & electronics) and Service Sector (Fin. & Non-Fin. Services). The confidence of US investors in the Indian economy appears to be highly upbeat and going by the current trends, the US investment should see record levels of FDI in the year 2002-03. Apart from communication and energy sectors, among other major sectors, knowledge sector comprising IT, Biotechnology, Pharmaceuticals, Chemicals and Special Economic Zones are witnessing increasing attention from the US investors.