

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

UNSTARRED QUESTION NO:1955  
ANSWERED ON:26.07.2002  
IMPACT OF FOREIGN BUSINESSMEN ON DOMESTIC INDUSTRIES  
RAMCHANDRA PASWAN;V. VETRISSELVAN

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

- (a) whether the facilities provided to foreign businessmen are posing danger to the domestic industries;
- (b) if so, whether the Government have assessed the losses suffered by the domestic industries so far on this account during the last three years;
- (c) if so, the details thereof;and
- (d) the remedial measures taken/being taken by the Government to save the domestic industries?

**Answer**

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

(a) to (d) foreign businessmen do not get any preferential treatment as compared to domestic investors. There is a level playing field for both domestic and foreign investors. The entry of Foreign Direct Investment (FDI) has made the domestic industry more competitive in terms of productivity, technology, etc. Besides, many domestic players are entering into financial/technical collaboration, strategic alliance, etc., with foreign companies. Nearly, 80% Foreign Direct Investment approvals are for joint ventures.