

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:789
ANSWERED ON:05.12.2003
SETTING UP OF FIPB
PRABODH PANDA

Will the Minister of FINANCE be pleased to state:

- (a) the name of the States who have set up their own Foreign Investment Promotion Boards to attract foreign direct investment;
- (b) whether the Government provide assistance to the State to set up Foreign Investment Promotion Board; and
- (c) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

(a) to (c): Foreign Investment Promotion Board at the level of Union Government approves proposals for Foreign Direct Investment (FDI), that does not fall within the automatic route of the RBI. State Governments do not have power to approve FDI. However, promotion of foreign investment in a State as a preferred destination is the responsibility of State Governments, many of whom have set up different promotional agencies for this purpose.