

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

UNSTARRED QUESTION NO:1032  
ANSWERED ON:01.08.2006  
FOREIGN INVESTMENT IN INDUSTRIAL SECTOR  
Thummar Shri Virjibhai

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

- (a) The details of the proposals received from foreign investors for setting up of industries in the country during each of the last three years and the current year, State-wise;
- (b) The number of proposals accorded approval but have not set up industries in the country so far;
- (c) If so, the reasons therefor; and
- (d) The efforts made by the Government to facilitate setting up of these industries?

**Answer**

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

(a) to (d): Government has put in place a liberal and investor-friendly policy on Foreign Direct Investment (FDI) under which FDI up to 100% is permitted on the automatic route in most sectors / activities where no prior approval of the Government is required. For FDI proposals in sectors/activities requiring prior Government approval, the Foreign Investment Promotion Board (FIPB) acts as a single-window clearance authority. Under the liberalized economic environment, investment decisions of investors, including location, are based on techno-economic and commercial considerations.

A statement on State-wise Foreign Direct Investment (FDI) proposals approved during the last three years is at annex-I.

Statement on FDI inflows during the last three years as reported by the Regional offices of the Reserve Bank of India is at annex-II.

Currently, a tabular information regarding the status of establishment of industry pursuant to the approvals is not maintained.