

SEZs, certain amendments in SEZ Rules, 2006 and its operational framework are being made with the objective of making SEZs more investors' friendly.

Impact of raising of FDI limit in various sectors

335. SHRI NARESH AGRAWAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether Government plans to raise FDI limit in a few sectors;
- (b) if so, the details thereof;
- (c) whether Government has studied the impact of such a move on domestic industries and consumers;
- (d) if so, the sector-wise details thereof; and
- (e) if not, the reasons therefor?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA): (a) and (b) The Government reviews the FDI policy on an ongoing basis, to ensure that India remains an attractive and investor friendly destination. In a recent review of the policy government has amended the sectoral caps and/or entry routes in some sectors *viz.* petroleum and natural gas; commodity exchanges; power exchanges; stock exchanges, depositories and clearing corporations; asset reconstruction companies; credit information companies; tea sector including tea plantations; single brand product retail trading; test marketing; telecom services; courier services and defence.

(c) to (e) FDI directly supplements the domestic capital, technology and skills in the sectors of direct entry. It has indirect multiplier effects on other related sectors also thereby stimulating economic growth. Government takes into consideration the concerns of all stakeholders including domestic industry and consumers while formulating FDI policy. Safeguards are put into the FDI policy wherever necessary. Further, the FDI in specific sectors is subject to all the sectoral laws, regulations and safeguards.