

GOVERNMENT OF INDIA
MINISTRY OF EXTERNAL AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO- 1517
TO BE ANSWERED ON 12.02.2026

ECONOMIC ENGAGEMENT WITH CHINA

1517. MS. SUSHMITA DEV

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) the policy changes undertaken during the last five years in relation to investment, trade, visa and economic engagement with China, including measures adopted after the Galwan incident and the issuance of Press Note 3 (2020);
- (b) whether Government is pursuing any graded or conditional easing of restrictions on Chinese investments, business visa or skilled labour and if so, the details thereof; and
- (c) whether any such relaxation is being contemplated subject to reciprocal measures by China and the criteria adopted to define and enforce the principle of reciprocity?

ANSWER

THE MINISTER OF STATE FOR EXTERNAL AFFAIRS
(SHRI KIRTI VARDHAN SINGH)

(a to c) In order to curb opportunistic takeovers/acquisitions of Indian companies following the COVID-19 pandemic, Government amended the FDI policy vide Press Note 3(2020) dated 17.04.2020, according to which an entity of a country, which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, can invest only under the Government route. Additionally, any transfer of ownership of any existing or future FDI in an entity in India resulting in the beneficial ownership falling within the aforesaid jurisdiction(s) will also require Government approval.

In order to support the Make in India initiative, the Government authorises the issue of business visas to foreign nationals, including to Chinese nationals (specialists/engineers/technical people), being engaged by Indian companies. Government of India has generally followed a facilitative approach towards business and employment visa, within the bounds of the relevant rules and policy.

India's policies and measures continue to evolve to reflect its primary objectives of securing national interests, including India's economic interests.
