

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION
LOK SABHA**

**UNSTARRED QUESTION NO. 670.
TO BE ANSWERED ON MONDAY, THE 6th FEBRUARY, 2017.**

FDI IN MSME SECTOR

**670. SHRIMATI KAVITHA KALVAKUNTLA:
SHRI DUSHYANT SINGH:**

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Government plans to promote foreign direct investment in small and medium enterprises and if so, the details thereof and the steps taken in this direction;
- (b) whether the Government plans to allow ownership to be transferred to an Indian partner after a specific period of time in the FDI industry and if so, the details thereof; and
- (c) whether the Government intends to re-orient the National Manufacturing Policy to promote Smart Manufacturing as per the recommendations of the Standing Committee on Commerce and if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग राज्यमंत्री (स्वतंत्र प्रभार)(श्रीमती निर्मला सीतारमण)

**THE MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMERCE & INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)**

- (a) :** India has one of the most liberalized FDI policy in the world, wherein 100% FDI under automatic route is permitted in most of the sectors/ activities. There is only a small list of sectors/ activities where FDI is regulated i.e. subjected to government approval, cap or having other conditionalities. The FDI policy equally applies to small and medium enterprises in the sectors.
- (b):** No such proposal is under consideration of the Government.
- (c):** The National Manufacturing Policy (NMP) already addressed the issue of acquisition of appropriate technologies including environment friendly technologies through creation of a patent pool and development of domestic manufacturing of equipments used for controlling pollution and reducing energy consumption. In this connection, the Technology Acquisition and Development Fund (TADF) Scheme under the NMP was launched on 18th November, 2015. The Scheme is being implemented by the Ministry of Micro, Small and Medium Enterprises.
