

PMO ask depts to provide enabling framework to attract FDI

PRESS TRUST OF INDIA

NEW DELHI, APRIL 23

THE PRIME Minister's Office (PMO) has asked all the ministries and departments to modify enabling framework and regulations in tune with the liberalised FDI policy with a view to attracting more foreign investment.

These directions were issued at a high-level meeting of senior officials called by the PMO recently.

The meeting deliberated upon various issues pertaining to different departments, including financial services, consumer affairs, defence, home affairs, commerce & industry, space, and pharmaceuticals.

In the meeting, it was pointed out that significant reforms have already been carried out in the foreign direct investment policy (FDI) and now it is for the departments concerned to provide an enabling framework to attract foreign investors, official sources said. The government in the last two-and-a-half years has relaxed FDI policy by removing sectoral caps and placing several sectors under the automatic route.

According to the sources, the Department of Financial Services was suggested to discuss with the Department of Industrial Policy and Promotion a proposal to allow 100 per cent FDI in insurance broking.

The issue of permitting 100 per cent foreign investment in ATM and cash management companies was also discussed in that meeting.