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INDIA-INVESTMENT

INDIA PROVIDES US\$100 MILLION FACILITY TO ITS INVESTORS

KUALA LUMPUR, Jan 22 (Bernama) -- India has announced a US\$100 million facility for its businessmen to invest abroad, High Commissioner of India, Veena Sikri said.

She said the Indian government had given permission for such a facility without restrictions because the country had a US\$70 billion foreign exchange reserve.

"Part of this is because India is steadily moving in a graduated manner towards full capital account convertibility and because of our comfortable foreign exchange reserve of US\$70 billion, it gives us the opportunity of allowing us to invest," she said.

She was speaking to reporters after a luncheon meeting with a business delegation from India comprising the Federation of Indian Chamber of Commerce & Industry (FICCI), Confederation of Asia Pacific Chambers of Commerce & Industry (CACCI), India Trade Promotion Organisation (ITPO) and the Clothing Manufacturers Association, India.

Sikri said Prime Minister Dr Mahathir Mohamed's inspiring statement "Use Malaysia as a gateway to Asean" at the first India-Asean business summit last October had opened an avenue for India to tap the Asean countries which consist of 500 million people with a combined gross domestic profit (GDP) of more than US\$600 million.

She said the facility was a step towards reforming the Indian government's financial and economic sector by encouraging Indian investors to go abroad.

She said Indian investors were looking into different sectors in Malaysia such as pharmaceutical products, processed and fresh food, textile and the power generation.

Currently, she said India had 57 joint-ventures in Malaysia which were not very big.

Sikri said at present Malaysia, Thailand and Singapore were the three main investors in India.

"Thailand is our largest investor followed by Singapore and Malaysia," she said. -- BERNAMA

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