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FINANCE MINISTER P. CHIDAMBARAM MEETS TOP AMERICAN EXECUTIVES AND USA SENATOR MAX BAUCUS, CHAIRMAN OF THE SENATE FINANCE COMMITTEE DURING HIS ONGOING US VISIT; DISCUSSIONS FOCUSED ON THE CURRENT BUSINESS AND INVESTMENT ENVIRONMENT IN INDIA; FM EMPHASIZED THE NEED FOR U.S COMPANIES TO SET-UP LOCAL MANUFACTURING BASES IN INDIA

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The Union Finance Minister Shri P. Chidambaram who is visiting the United States, met with top American executives and U.S. Senator Max Baucus, Chairman of the Senate Finance Committee .

The Finance Minister Shri Chidambaram met Chief Executive Officers (CEOs) and top management officials of a number of American companies with substantial investments in India. Discussions focused on the current business and investment environment in India. The companies included Microsoft, Lockheed Martin, Boeing and International Lease Finance Corporation (ILFC). The issues highlighted by the companies *inter alia* related to transfer pricing; impact of the Comprehensive Immigration Bill recently passed by the U.S Senate on future business prospects of Indian Information Technology (IT) companies operating in the U.S; and taxation among others.

The companies were appreciative of the measures taken to address concerns relating to Transfer Pricing. Finance Minister apprised the companies of the recommendations of the Arvind Mayaram Committee on enhancing FDI caps in many sectors, and the steps being taken to implement the recommendations. He emphasized the need for U.S companies to set-up local manufacturing bases in India, saying “it is in the mutual interest of both countries for India to become a large manufacturing economy”.

The Finance Minister Shri Chidambaram also underscored Indian concerns about the provisions in the Comprehensive Immigration Reform Bill relating to skilled non-immigrant visas.

Finance Minister met with the Chairman of the US Ex-Im Bank, Mr. Fred Hochberg and other senior officials of the Ex-Im Bank.

The Finance Minister Shri Chidambaram met with Senator Max Baucus (D-MT), Chairman of the Senate Finance Committee. They exchanged views on the global economic situation. The Finance Minister mentioned that while some concerns have been expressed about the current business environment in India, the policies adopted by the Government of India are pro-growth and WTO compliant. He stressed that the Government of India is committed to ensuring a transparent, fair and non-discriminatory investment environment for foreign investors seeking to do business in India. During the discussion, Senator Baucus fondly recalled his first visit to India as a young student in the 1960s and his meeting with then Prime Minister Shri Jawaharlal Nehru.

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