

Italy keen to bring FDI in textiles to India through JV

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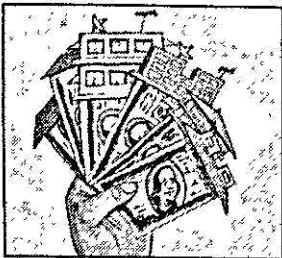
NEW DELHI, MAY 17

TERMING India's decision to allow 100 per cent foreign direct investment (FDI) in single-brand retail as a "revolution", Italy today said several companies have shown interest in setting up stores in the country.

Italian Trade Commissioner Erica Di Giovancarolo said businessmen of both the countries can collaborate in sectors like automobiles, fashion and textiles through joint ventures.

"This decision (allowing 100 per cent FDI in single-brand) of the government is a revolution in this market. I am sure it will catch interest of a lot of companies," Giovancarolo told PTI.

The decision has paved the way for global Italian chains like Armani, Gucci and Prada to



have full ownership of their India operations.

Italy, a world leader in fashion designing, is interested to setting up businesses here. "Italy is known for fashion. Indian designs are growing very fast. It will be interesting to see how two countries can match. We are working hard on this," she said.

She said in order to bolster trade ties between the two countries, Italy is also organising a three-day 'Expo Riva Schuh Fair' here from June 5.

The exhibition will offer high-end products which include bags, belts, footwears and leather accessories. "Its a good meeting point of local needs and Italian products," she said.

However, the third-largest economy in Europe, will wait for the economic situation to recover in its region, before making investments here.

The Italian companies, mainly the SMEs are facing tough situation due to slowdown. "We have to wait as situation in Italy is very tough but the interest in this country (India) is very high," Giovancarolo added.

The bilateral between India and Italy stood at \$8.8 billion during 2010-11.