

# India Inc must invest in startups to help retain local talent, ideas: Commerce and industry minister Piyush Goyal

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NEW DELHI: Commerce and industry minister Piyush [Goyal](#) on Saturday suggested that Indian companies could make early stage investment in home-grown startups to help retain Indian talent and ideas within the country, while also getting themselves higher upside when valuations increase. The minister said several Indian startups had seen overseas investors enter early and exit after raking in high returns with the founders holding only a small stake. "It will also benefit Indian entrepreneurs to access capital," he said.

The statement, during an interaction with TOI on Saturday, came amid a controversy over his comments at a [CII](#) conclave earlier this week. Asked about his comment on the issue at the event, the minister said: "I can only appeal. Who am I to ask them to do something?"

His comment at the CII meet came in response to suggestions from Banmali Agrawala, president for infrastructure and defence & aerospace at [Tata Sons](#), and triggered a row with many interpreting it as reflecting Goyal's annoyance.

The [Tatas](#) are one of the most valued groups and they have a big role to play in the development of the country," the minister said when asked about it.

Goyal also made it clear that the consumer affairs ministry, which had recently released draft consumer protection guidelines for e-commerce, would be holding consultations with both Indian and overseas-funded players.

"These rules are for all players. Everybody's concerns will be taken on board. The government has an open mind on the issue and the effort is to balance the interests of the consumers and small retailers, while ensuring that the consumer gets the best deal," he said.

At the same time, he said, investors need to follow the law in letter and spirit, an issue which has been flagged by him to industry players in the wake of several "structured transactions" especially in the e-commerce space, where [FDI](#) is allowed in the business-to-business wholesale trading segment.

"My doors are always open for anyone to come and meet," Goyal said, adding that he is scheduled to meet representatives from the [Tata Group](#).

The minister also said the decision of the Tata Group to invest in the semi-conductor business was a major move. "Semi-conductors play a crucial role in the auto and electronics industry and Tatas getting in in that segment will send a very strong signal," he said.

Pointing to signs of a pickup in economic activity, he said investment in sectors such as steel, where several players have announced expansion, as well as in segments where production-linked incentives have been announced, is picking up. He said vaccination is crucial and the corporate sector could help reach out to the northeast and states such as Bihar and Uttar Pradesh, in addition to inoculating employees.

He also said he has reached out to large business houses to settle dues to micro, small and medium enterprises (MSMEs) within seven days since big businesses can access funds at a lower rate.