

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1359**  
TO BE ANSWERED ON FEBRUARY 9, 2018

NATIONAL POLICY FOR ECONOMIC GROWTH

†1359. SHRI ALOK SANJAR:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has formulated any National Policy to attain the optimum sustainable level of economic growth and if so, the details thereof;
- (b) whether India is a favourite destination for the foreign investors;
- (c) if so, the details thereof along with the names of three top investor countries investing in India; and
- (d) the steps being taken by the Government to attain the optimum sustainable level of economic growth?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PON. RADHAKRISHNAN)

(a) Government has not formulated any National Policy to attain the optimum sustainable level of economic growth.

(b) & (c) According to the World Investment Report 2017 of United Nations Conference on Trade and Development (UNCTAD), the favourite FDI destinations are the United States, China and India. The increase in inflow of Foreign Direct Investment is an endorsement of status of India as a preferred investment destination amongst global investors. FDI inflows for the year 2015-16 were US \$ 55.56 billion, which was an all-time high. However, FDI inflow increased further to US \$ 60.08 billion in 2016-17, thereby scaling an even higher peak. During April-September 2017, the FDI inflows were US \$33.74 billion. Cumulatively the top three investor countries (of FDI equity inflows) were Mauritius, Singapore and Japan during the period 2015-16, 2016-17 and 2017-18 (April-September).

(d) The agenda of promoting economic growth has been the utmost priority of the government. The Government of India has taken various initiatives to boost the growth of the economy. Major initiatives in this direction, *inter-alia*, include; fillip to manufacturing, measures to improve the ease of doing business, concrete measures for transport and power sectors as well as other urban and rural infrastructure, comprehensive reforms in the foreign direct investment policy and special package for textile industry. The introduction of the Goods and Services Tax (GST) has provided a significant opportunity to improve growth momentum by reducing barriers to trade, business and related economic activities. The Insolvency and Bankruptcy

Code was enacted to achieve insolvency resolution in a time bound manner. The government has launched a phased program for bank recapitalization. This entails infusion of capital to the public sector banks, which is expected to encourage banks to enhance lending. For highways development the Bharatmala Pariyojana has been launched.

The Budget 2018-19 also included various measures to provide impetus to the economic growth which, among others, include major push to infrastructure via higher allocation to rail & road sector, expansion of airport capacity, reduced corporate tax rate of 25 per cent for companies with turnover up to Rs. 250 crore which is expected to help 99 per cent of Micro, Small and Medium Enterprises (MSMEs) filing their returns, etc. The Budget particularly focused on strengthening agriculture and rural economy via emphasis on rural housing, rural infrastructure, keeping Minimum Support Prices (MSP) of unannounced kharif crops at least one and half times of their production cost; and emphasis on job creation. Government had also announced various measures in the Budget 2017-18 to promote growth in the economy which, among others, includes push to infrastructure development by giving infrastructure status to affordable housing, higher allocation to highway construction, and focus on coastal connectivity.

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