

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
LOK SABHA**

**UNSTARRED QUESTION NO. 2824.
TO BE ANSWERED ON WEDNESDAY, THE 10TH JULY, 2019.**

VIOLATION OF FDI NORMS

**2824. SHRI BHARTRUHARI MAHTAB:
SHRI RAHUL RAMESH SHEWALE:**

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

वाणिज्य एवं उद्योग मंत्री

- (a) whether the India's Foreign Direct Investment (FDI) inflows has considerably declined during each of the last three years and the current year;
- (b) if so, the details thereof and the reasons therefor along with the impact of such decline on the country's balance of payments and value of rupee;
- (c) whether the cases of violating FDI norms by many companies have been reported and forwarded to the Directorate of Enforcement (DoE) for investigation during the said period;
- (d) if so, the details thereof along with the action taken/being taken by the DoE in such cases, company-wise; and
- (e) the other corrective steps taken/ being taken by the Government to keep a check on decline of FDI inflows and violation of FDI norms by the companies?

ANSWER

**वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)
THE MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)**

- (a) & (b): No, Sir. As seen from the table below, the Foreign Direct Investment (FDI) inflows have been going up each year, as against any of the previous years:

S. No	Financial Year	Total FDI Inflows (in US\$ billion)
1.	2016-17	60.22
2.	2017-18	60.97
3.	2018-19	64.38
4.	2019-20 (up to April, 2019)	6.95

NOTE: Figures are provisional subject to reconciliation with RBI.

- (c) & (d): Enforcement Directorate is conducting investigation in 581 cases under Foreign Exchange Management Act, 1999 (FEMA) for alleged violation of FDI norms. Disclosure of other details of these cases may not be in large public interest as the same may adversely impact the ongoing investigations.
- (e): It has been the endeavour of the Government to put in place an enabling and investor friendly FDI policy. The intent is to make the FDI policy more investor friendly and remove the policy bottlenecks that have been hindering investment inflows into the country. The onus of compliance with the FDI norms lies on the entity that is the recipient of FDI.