

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA
STARRED QUESTION NO. *362**

TO BE ANSWERED ON MONDAY, MARCH 27, 2023 /Chaitra 6, 1945 (Saka)

FOREIGN INVESTMENTS FROM NEIGHBOURING COUNTRIES

***362, SHRI N. REDDEPPA:**

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has eased/proposes to ease restrictions on foreign investments from the companies that are based in countries that share land border with India or have an investor from these nations;

(b) if so, the details thereof;

(c) whether the Government has any pending investment proposals from China and Hong Kong awaiting Government clearance during the past year and the current year; and

(d) if so, the details thereof and if not, the reasons therefor?

ANSWER

FINANCE MINISTER

(SMT. NIRMALA SITHARAMAN)

(a) to (d): A Statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 362 RAISED BY SHRI N. REDDEPPA, HON'BLE MEMBER OF PARLIAMENT TO BE ANSWERED ON 27.03.2023 REGARDING FOREIGN INVESTMENT FROM NEIGHBOURING COUNTRIES

(a) & (b) In order to curb opportunistic takeovers/acquisitions of Indian companies due to the COVID-19 pandemic, vide Press Note 3(2020) dated 17.04.2020, Government amended the FDI policy according to which an entity of a country, which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, can invest only under the Government route. Additionally, any transfer of ownership of any existing or future FDI in an entity in India resulting in the beneficial ownership falling within the aforesaid jurisdiction(s) will also require Government approval.

No such proposal is under consideration of the Government.

(c) & (d). Yes Sir, 54 FDI Proposals received during the past year and current year with investor/ beneficial owner from China/Hong Kong are pending for decision with Government as on 21.03.2023.
