

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

**LOK SABHA**

**UNSTARRED QUESTION NO. 4700.  
TO BE ANSWERED ON WEDNESDAY, THE 29<sup>TH</sup> MARCH, 2023.**

**FDI PROPOSALS**

**4700. SHRIMATI GODDETI MADHAVI:  
SHRI P.V. MIDHUN REDDY:  
SHRI N. REDDEPPA:**

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:  
**वाणिज्य एवं उद्योग मंत्री**

- (a) the number of FDI proposals that are pending with the Government;
- (b) whether the Government has formulated any policy for timely clearance of the FDI proposals;
- (c) if so, the details thereof and if not, the reasons therefor;
- (d) whether the Government has taken any concrete steps to promote FDI in the country; and
- (e) if so, the details thereof and if not, the reasons therefor?

**ANSWER**

**वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सोम प्रकाश)  
THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY  
(SHRI SOM PARKASH)**

**(a):** 94 Proposals.

**(b):** Yes. Detailed Standard Operating Procedure (SOP) has been put in place for timely clearance of FDI Proposals.

**(c):** The steps taken by the Government for timely clearance of the FDI proposals may be seen as under:

- i. Standard operating procedure (SOP) for processing FDI Proposals has been issued by DPIIT. According to SOP, the prescribed timelines for processing of FDI Proposals are as follows:

#### Time Limits

S. No.	Action Points	Time Period	Cumulative Time Period
(i)	Dissemination of proposal by DPIIT to the Concerned Ministry/ Department	Two (02) days	One (01) Week
(ii)	Time for submission of signed physical copy of the proposal from the date of online submission by applicant to the Competent Authority, if needed	One (01) Week	
(iii)	Initial scrutiny of the proposal and documents attached therewith, and seeking relevant additional information/documents from the applicant	One (01) Week	Two (02) Weeks
(iv)	Time limit for submission of clarification by DPIIT on specific issues of FDI Policy	Two (02) Weeks	Four (04) Weeks
(v)	Time limit for submission of comments by consulted Ministry/ Department/ RBI/ Regulator/any Other Stakeholder	Four (04) Weeks	Six (06) Weeks
(vi)	Time limit for submission of comments by MHA on proposals requiring security clearance	Six (06) Weeks	Eight (08) Weeks
(vii)	Time limit for approval on proposals by Competent Authority for grant of approval	Four (04) Weeks	
	Proposals not requiring security clearance		Ten (10) Weeks
	Proposal Requiring security clearance		Twelve (12) Weeks

#### Note:

1. Additional time of two (02) weeks will be given to DPIIT for consideration of those proposals which are proposed for rejection or where additional conditions which are not provided in the FDI Policy are proposed to be imposed by the Competent Authority.
2. Time limits allocated exclude the time taken by applicants in removing deficiencies in the proposals/supplying additional information as may be required by the Competent Authority.
3. Time limits for consultation process as mentioned under S.No. (iv), (v) and (vi) above, are calculated simultaneously after initial scrutiny of the proposal.

- ii. To simplify the approval process of foreign Investment and to promote ease of doing business, FIPB was abolished in May 2017 and a new regime has been put in place. Under the new regime, process for granting FDI approvals has been simplified wherein the work relating to processing of applications for FDI has been delegated to the concerned Ministries/Departments and DPIIT is the nodal department for facilitating the process.
- iii. "Foreign Investment Facilitation Portal (FIF Portal)" has been launched as the online single point interface of the Government of India for investors to facilitate Foreign Direct Investment. The portal facilitates single window clearance of applications through government approval route. FIFP has been technically integrated with National Single Window System (NSWS) on 05.08.2022, which is an online single point interface of the Government of India for investors to start any industry in India and take requisite permissions.
- iv. DPIIT being the nodal department reviews pending FDI proposals on a regular basis for speedy disposal of FDI proposals.
- v. Every Department has a dedicated nodal officer & FDI Cell for processing FDI Proposals and to ensure timely clearance of FDI Proposals.

**(d):** Yes.

**(e):** To promote Foreign Direct Investment (FDI), Government has put in place an investor friendly policy, wherein most sectors, except certain strategically important sectors, are open for 100% FDI under the automatic route. Almost 98% of FDI equity inflow has come under automatic route during the current financial year 2022-23 (up to December, 2022). Further, FDI Policy is reviewed on an ongoing basis, to ensure that India remains an attractive and investor friendly destination. This has resulted in the increasing trend of FDI inflows into the country since the last eight years. Changes are made in the policy after having consultations with stakeholders including apex industry chambers, associations, representatives of industries/groups and other organizations. FDI policy provisions have been progressively liberalized and simplified across various sectors such as Pension, Other Financial Services, Asset reconstruction Companies, Broadcasting, Pharmaceuticals, Single Brand Retail Trading, Construction & Development, Power Exchanges, e-commerce activities, Coal Mining, Contract Manufacturing, Civil Aviation etc. In the recent past, reforms in the FDI Policy have been undertaken in sectors such as Defence, Insurance, Petroleum & Natural Gas and Telecom.

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