

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

LOK SABHA

**UNSTARRED QUESTION NO. 4608.
TO BE ANSWERED ON WEDNESDAY, THE 24TH MARCH, 2021.**

FOREIGN INVESTMENT

4608. DR. KRISHNA PAL SINGH YADAV:

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether any efforts/reforms have been made by the Government to attract foreign investment by foreign companies and to open trade units in India;
- (b) if so, the efforts made in this direction and the sectors in which these efforts have been made;
- (c) whether the Government is currently taking steps in this direction or proposes to take such steps; and
- (d) if so, the details of the probable measures to attract foreign investment in the country?

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) & (b):** Government has put in place a liberal and transparent policy for Foreign Direct Investment (FDI), wherein most of the sectors are open to FDI under the automatic route. FDI Policy in India has been liberalized and simplified in the past few years, especially in the trading sector. 100% FDI is permitted in Single Brand Retail Trading (SBRT) and 51% FDI is permitted in Multi Brand Retail Trading (MBRT). Further, 100% FDI is allowed in Food Product Retail Trading (FPRT) to give impetus to food processing industry. Local Sourcing Conditions in SBRT have been eased with a view to provide greater flexibility and ease of operations to SBRT entities.
- (c) & (d):** The Government reviews the FDI policy on an ongoing basis and makes changes from time to time, to ensure that India remains an attractive & investor friendly destination. The intent is to remove policy bottlenecks that may be hindering investment inflows into the country. Changes are made in the policy after having intensive consultations with stakeholders including apex industry chambers, Associations, representatives of industries/groups and other organizations taking into consideration their views/comments.
