

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO.3275
ANSWERED ON MONDAY, THE 9th AUGUST, 2021
SRAVANA 18, 1943 (SAKA)**

INVESTMENT BY FOREIGN COMPANIES

QUESTION

**3275. SHRIMATI SANDHYA RAY:
DR. KRISHNA PAL SINGH YADAV:**

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether such efforts or changes have been made by the Government so that foreign companies are attracted to invest or open their business units in India;**
- (b) if so, the efforts made and the sectors where such efforts have been made;**
- (c) whether the Government is still making such efforts or proposes to do so; and**
- (d) if so, the details of the possible efforts/changes as a result of which foreign companies are likely to be attracted to trade in India?**

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS

[RAO INDERJIT SINGH]

(a) to (d):- Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry has stated on 05.08.2021 that to promote Foreign Direct Investment (FDI), the Government has put in place an investor-

friendly policy, wherein except for a small negative list, most sectors are open for 100% FDI under the Automatic route. The intent has been to make the FDI policy more investor friendly, in keeping with national interest and remove the policy bottlenecks that have been hindering the investment inflows into the country. Recently, reforms in FDI Policy have been undertaken across sectors such as Coal Mining, Contract Manufacturing, Digital Media, Single Brand Retail Trading, Civil Aviation, Defence and Insurance sector, which have resulted in increased FDI inflows in India. India registered its highest ever annual FDI inflow of US\$ 81.72 billion (provisional figures) in the financial year 2020-21.

Further, Government makes policy pronouncements on FDI through Press Notes and detailed Foreign Direct Investment (FDI) Policy on various sectors indicating therein sector-wise FDI limits and sectoral conditions is provided in 'Consolidated FDI Policy Circular of 2020', as amended from time to time through subsequent Press Notes, which are available on the website of Department for Promotion of Industry & Internal Trade (www.dipp.gov.in)

FDI Policy is reviewed on an ongoing basis, to ensure that India remains attractive & investor friendly destination. Changes are made in the policy after having consultations with stakeholders including apex industry chambers, Associations, representatives of industries/groups and other organizations taking into consideration their views/comments.
