

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

**UNSTARRED QUESTION NO. 1630.
TO BE ANSWERED ON WEDNESDAY, THE 8TH DECEMBER, 2021.**

FDI

**1630. SHRI MANOJ KOTAK:
SHRIMATI RAKSHA NIKHIL KHADSE:**

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether it is a fact that Government is considering foreign investment as one of the most important drivers of economic growth;
- (b) if so, the details of the FDI and portfolio investments in the last five year;
- (c) whether the Government plans to attract foreign investment and if so, the details thereof; and
- (d) whether the Government plans for effective management for ease of doing business and investment in India?

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): Foreign Direct Investment (FDI) is one of the important drivers of economic growth and a source of non-debt finance for the economic development of India. FDI complements and supplements domestic investment. Domestic companies are benefited through FDI by way of enhanced access to supplementary capital and state-of-art-technologies, as also exposure to global managerial practices resulting into employment generation and accelerated growth of the sectors.
- (b): The details of foreign investment reported through routes of Foreign Direct Investment (FDI) inflow and Foreign Portfolio Investment (FPI) inflows (net) during the last five financial years are as under:

(Amount in USD Million)

S. No.	Financial Year	Total FDI Inflow	FPI inflows (net)
1.	2016-17	60,220	7,735
2.	2017-18	60,974	22,165
3.	2018-19	62,001	(-) 2,225
4.	2019-20	74,390	552
5.	2020-21	81,973	38,725

Source: Reserve Bank of India.

- (c):** To promote 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. Further, the policy on FDI is reviewed on an ongoing basis, to ensure that India remains attractive & investor friendly destination. 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.
- (d):** Government has also taken various steps to improve the overall business regulatory environment in the country and create a conducive business environment by streamlining the existing regulations and processes and eliminating unnecessary requirements and procedures.

Recently, Government has taken various steps in addition to ongoing schemes to boost domestic investments in India. These include the National Infrastructure Pipeline, Reduction in Corporate Tax, easing liquidity problems of NBFCs and Banks, trade policy measures to boost domestic manufacturing. Government of India has also promoted domestic manufacturing of goods through the public procurement order, Phased Manufacturing Programme (PMP), Schemes for Production Linked Incentives of various Ministries.
