GOVERNMENT OF INDIA MINISTRY OF FINANCE DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA UNSTARRED QUESTION NO. 2319

TO BE ANSWERED ON MONDAY, AUGUST 1, 2022/SRAVANA 10, 1944 (Saka)

NEW INVESTMENT PROJECTS 2319. SHRI DAYANIDHI MARAN

Will the Minister of FINANCE be pleased to state:

- (a) whether as per media reports, new investment projects in India have declined in the first quarter of 2022-23 and if so, the details thereof;
- (b) the details and status of capital investments in manufacturing and infrastructure;
- (c) whether the Ministry has conducted any study or analysis of the reasons contributing to the decline and if so, the details thereof;
- (d) whether the Ministry has held any consultations with the Industry bodies and stakeholders on the way forward and if so, the details thereof; and
- (e) the details of sectors which have been most affected by the decline in investments along with the steps taken by the Ministry to address their issues?

ANSWER

MINISTER OF STATE FOR FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) to (e) India's recorded Foreign Direct Investment (FDI) in the last quarter of FY 2021-22 stands at USD 22,037 Million which is higher from the FDI recorded in the last Quarter of FY 2020-21 (USD 13,438 Million). A Statement indicating FDI Equity inflow reported in the sectors namely 'Manufacturing' & 'Construction (Infrastructure) activities' during last three financial years and in the current financial year i.e. 2019-20, 2020-21, 2021-22 and 2022-23 (up to May 2022) along with the FDI inflow for last three years is at **Annexure**.

To boost capital investment in the country the government has taken various progressive steps over the years and eased norms to attract investment. The Government has put in place a liberal and transparent policy for attracting FDI, wherein most sectors, are open for 100% FDI under the automatic route. The Government of India reviews the FDI Policy on regular basis to ensure that India remains attractive and investor friendly destination.

Annexure

FDI inflow for last three financial years

S.No.	Financial Year	FDI (USD million)	(% Growth YoY)
1	2019-20	74,391	20.0
2	2020-21 (P)	81,973	10.2
3	2021-22 (P)	83,572	2.0

FDI Equity inflow in Manufacturing Sectors

S.No.	Financial Year	FDI equity inflow in Manufacturing Sectors	
		(Amount in USD million)	(Amount in INR crore)
1	2019-20	17,118.63	120,969.93
2	2020-21	12,093.95	89,765.96
3	2021-22	21,341.04	158,332.32
4	2022-23 (Apr-May)	4,296.16	33,053.62

FDI Equity inflows Sector Construction (Infrastructure) Activities

S.No	Financial Year	FDI Equity inflow (in USD million)	FDI Equity inflow (in INR crore)
1	2019-20	2,041.72	14,509.76
2	2020-21	7,874.54	58,239.92
3	2021-22	3,247.51	24,178.17
4	2022-23 (Apr-May)	357.83	2,740.52
	Grand Total	13,521.60	99,668.36
