

**GOVERNMENT OF INDIA**  
**MINISTRY OF FINANCE**  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 932**  
**ANSWERED ON 02.12.2024**

**Foreign Direct Investment (FDI) Inflows**

932. Ms. S Jothimani:

Adv. Adoor Prakash:

Shri Rajesh Ranjan:

Will the Minister of FINANCE be pleased to state:

(a) the details of net FDI Inflows during the last five years, country-wise and sector-wise;

(b) whether the Government has assessed the impact of new tax regulations on FDI inflows;

(c) if so, the details thereof and if not, the reasons therefor; and

(d) the measures being taken by the Government to further simplify tax compliance for startups and foreign investors to foster a more conducive investment environment?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) : The net Foreign Direct Investment (FDI) inflows during last five years is given in table below, however, data on country-wise and sector-wise net FDI inflows is not maintained.

<b>Year</b>	<b>Net FDI (US\$ billion)</b>
2019-20	43.0
2020-21	44.0
2021-22	38.6
2022-23	28.0
2023-24	10.1

Source: RBI.

(b) to (d): FDI inflows into a country depend on a host of factors such as availability of natural resources, macro-economic stability, investment decision of foreign investors, global investment climate, central bank interest rates and tax regulations among others. To promote FDI, the 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. Further, to simplify tax compliance for startups and foreign investors, the Income Tax Act, 1961 has been amended in 2024 to abolish angel tax and to reduce income tax rate chargeable on income of a foreign company.

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