

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA
STARRED QUESTION NO. *341
TO BE ANSWERED ON MONDAY, AUGUST 18, 2025**

Sovereign Wealth Funds and Global Pension Funds

***341. Thiru Arun Nehru:**

Will the Minister of FINANCE be pleased to state:

- (a) the details and the list of the investments through Sovereign Wealth Funds (SWFs) and global pension funds in the country, sector-wise;
- (b) the details of the quantum of Foreign Direct Investment (FDI) or portfolio investment made by SWFs and global pension funds in the country during the last five financial years, State and year-wise;
- (c) the steps taken by the Government to attract SWFs and global pension funds to invest in the infrastructure and real estate sectors of the country;
- (d) the measures taken by the Government to improve the regulatory clarity for SWFs and global pension funds investing in the country; and
- (e) whether the Government proposes to expand the list of sectors for 100 per cent FDI through automatic route for long-term investors like SWFs, if so, the details thereof?

**ANSWER
FINANCE MINISTER
(SMT. NIRMALA SITHARAMAN)**

(a) to (e): A Statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. *341 RAISED BY THIRU ARUN NEHRU, HON'BLE MEMBER OF PARLIAMENT TO BE ANSWERED ON 18.08.2025 REGARDING SOVEREIGN WEALTH FUNDS AND GLOBAL PENSION FUNDS.

(a) & (b). Sovereign Wealth Funds (SWFs) and global pension funds can invest into country as Foreign Direct Investment (FDI) or Foreign Portfolio Investment (FPI). FDI inflows from SWFs and global pension funds are not recorded as distinct category. Net FPI by SWFs and global pension funds in the country during the last five financial years, sector and year-wise are at Annexure-A.

(c) The FDI policy is reviewed on an ongoing basis, and amended from time to time to ensure that India remains an increasingly attractive and investor-friendly investment destination for long term investors including SWFs and global pension funds. Some of the specific benefits provided to notified SWFs and pension funds include:

(i) Section 10(23FE) of the Income Tax Act, introduced in 2020, grants tax exemption, to notified SWFs and pension funds on dividends, interest, and long-term capital gains from specified infrastructure investments in India. This exemption has now been extended until 31 March 2030.

(ii) The International Financial Services Centre Authority (IFSCA), has provided for a specialized framework to facilitate participation by SWFs in International Financial Services Centre (IFSC), wherein such provisions which are not deemed relevant to them have been exempted. For instance, the restriction that certain schemes should only be close-ended was dispensed with for SWFs, and they were enabled to set-up open-ended schemes in IFSC, paving way for setting up long term vehicles for investments into India and other geographies. Similarly, to provide wider avenues for investments by SWFs, the ceiling on investments in securities of unlisted companies were also done away with for SWFs.

(d) The Government has taken several steps to boost and attract more investments including investment from SWFs and global pension funds across the sectors. This includes removing regulatory barriers, streamlining processes, developing

infrastructure, bettering logistics and improving the business environment by enhancing the Ease of Doing Business (EoDB) among others.

Under, the Regulatory Compliance Burden (RCB) initiative government works with various Ministries, Departments, and States/UTs to reduce the compliance burden on citizens and businesses. The goal is to enhance Ease of Doing Business and Ease of Living through four key strategies: Simplification of procedures, Rationalization of laws, Digitization of processes, and Decriminalization of minor offences. Regulatory Compliance (RC) Portal has been developed by Department for Promotion of Industry and Internal Trade (DPIIT) for tracking action taken by Ministries/ Departments and States/UTs to reduce compliance burden. Through active self-assessment initiatives, over 45,000 compliances have been reduced. Among these, 16,028 were simplified, 22,280 digitized, 4,024 decriminalized, and 2,909 redundant compliances eliminated

To enhance Ease of Living and Ease of Doing Business, the Central Government, through the Jan Vishwas (Amendment of Provisions) Act, 2023, has decriminalized 183 provisions across 42 Central Acts administered by 19 Ministries/Departments.

Securities and Exchange Board of India (SEBI) has taken several steps to promote FPI inflows which include enhancing ease of doing business for FPIs by simplifying the on-boarding & registration procedure, permitting FPIs to participate in Exchange Traded Commodity Derivatives in India, enabling participation by Non-Resident Indians (NRIs), Overseas Citizens of India (OCIs) and Resident Indian (RI) individuals in SEBI registered FPIs based in International Financial Services Centers in India and provision of a framework for reclassification of FPI investment to FDI.

(e) 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. More than 95% of the FDI inflow is received under the automatic route. India continues to open up its economy to global investors, including SWFs and global pension funds, by raising FDI limits, developing infrastructure and improving business environment. For instance, the Union Budget 2025 announced for the further increase of FDI sectoral cap for the insurance sector from 74% to 100%.

Annexure-A

Net Foreign Portfolio Investment by SWFs and pension funds in the country during the last five financial years, sector and year-wise:

Sovereign Wealth funds investment details- Year wise and sector wise

(Figures in INR Crore)

S. No	Sector	2020-21	2021-22	2022-23	2023-24	2024-25
1	Automobile and Auto Components	1,562	1,823	1,033	-1,856	-5,317
2	Banks	11	12	-	-	-
3	Capital Goods	502	1,104	1,350	3,084	3,626
4	Chemicals	414	172	463	1,127	1,337
5	Chemicals & Petrochemicals	-	24	-	-	-
6	Coal	-	-	-	-	-
7	Commercial Services & Supplies	-	-	-	-	-
8	Construction	692	265	-127	-382	-4,963
9	Construction Materials	317	-852	1210	-1,141	808
10	Consumer Durables	277	-195	564	1,925	-2,072
11	Consumer Services	-514	331	2,057	4,542	3,240
12	Diversified	-38	63	98	-54	21
13	Diversified Consumer Services	-	-	-	-	-
14	Fast Moving Consumer Goods	911	-1,519	1,219	-611	-4,118
15	Financial Services	2,688	-801	2,243	13,283	16,228
16	Food, Beverages & Tobacco	-	-	-	-	-
17	Forest Materials	-22	30	17	45	45
18	General Industrials	26	-	-	-	-
19	Healthcare	-591	1,632	1,047	2,152	39
20	Healthcare Services	82	-	-	-	-
21	Hotels, Restaurants & Tourism	326	-474	-22	-	-
22	Household & Personal Products	-	-	-	-	-
23	Information Technology	-1,954	-6,233	-3,160	88	-2,845
24	Media, Entertainment & Publication	27	361	97	-331	-98
25	Metals & Mining	107	-577	200	204	16
26	Oil & Gas	-143	-750	-	-	-
27	Oil, Gas & Consumable Fuels	2,900	-1,057	-1,328	2,534	-3,826

28	Other Financial Services	-	-	-	-	-
29	Others	-2,165	-3,993	-6,042	8,406	-192
30	Pharmaceuticals & Biotechnology	-25	13	-	-	-
31	Power	-117	-184	-408	5,876	470
32	Realty	231	330	851	380	2,321
33	Retailing	-	6	295	-	103
34	Services	68	-414	1,501	785	1,253
35	Software & Services	-108	-22	-	-	-
36	Telecommunication	2,738	-1,626	378	7,456	2,593
37	Textiles	-133	10	114	52	-92
38	Textiles, Apparels & Accessories	21	13	-	-	-
39	Transportation	15	52	-	-	-
40	Utilities	-70	8	8	39	-152
	Total	8,035	-12,450	3,658	47,604	8,426

Source: NSDL

Pension funds investment details- Year wise and sector wise

(Figures in INR Crore)

S.No	Sector	2020-21	2021-22	2022-23	2023-24	2024-25
1	Automobile and Auto Components	3,401	-2,336	554	3,590	3,990
2	Banks	8	-	-	-	-
3	Capital Goods	1,497	531	2,560	3,017	5,647
4	Chemicals	1,446	845	482	179	1,675
5	Chemicals & Petrochemicals	4	43	4	-	-
6	Coal	-	-	-	-	-
7	Commercial Services & Supplies	-	-	-	-	-
8	Construction	931	672	716	688	-32
9	Construction Materials	1,697	-261	-406	734	-336
10	Consumer Durables	1,882	299	-2,835	1,302	3,491
11	Consumer Services	1,152	647	2,057	1,929	-579
12	Diversified	-28	-62	20	21	109
13	Diversified Consumer Services	-	-	-	-	-

14	Fast Moving Consumer Goods	3,328	1,298	1,846	2,353	434
15	Financial Services	16,627	-6,922	-5,505	310	12,626
16	Food, Beverages & Tobacco	-	-8	-	-	-
17	Forest Materials	-39	-18	157	11	141
18	General Industrials	84	5	-	-	-
19	Healthcare	1,990	-676	370	3,241	7,916
20	Healthcare Services	132	-	-	-	-
21	Hotels, Restaurants & Tourism	250	-154	-13	-	-
22	Household & Personal Products	-	-	-	-	-
23	Information Technology	6,376	-5,828	-8241	6,298	1,275
24	Media, Entertainment & Publication	-19	-493	603	-565	384
25	Metals & Mining	614	3,145	356	576	3,020
26	Oil & Gas	81	18	-	-	-
27	Oil, Gas & Consumable Fuels	4,442	3,845	572	5718	-3,669
28	Other Financial Services	-1	-	-	-	-
29	Others	3,660	3,955	-2,688	-2,262	29,294
30	Pharmaceuticals & Biotechnology	219	-281	-	-	-
31	Power	623	2,036	2,680	3,298	-984
32	Realty	446	24	397	1379	3,332
33	Retailing	-	-	-	-	58
34	Services	756	-213	906	2,010	1,810
35	Software & Services	25	-74	-	-	-
36	Telecommunication	1,305	2,326	-990	887	4,514
37	Textiles	186	286	-450	76	627
38	Textiles, Apparels & Accessories	54	140	-	-	-
39	Transportation	5	5	-	-	-
40	Utilities	-8	64	-4	29	177
	Total	53,125	2,855	-6,851	34,820	74,920

Source: NSDL
