

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:613

ANSWERED ON:13.08.2012

FDI INFLOW

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

(a) whether the Foreign Direct Investment (FDI) inflow has been declined during the last two consecutive months as compared to last year; and

(b) if so, the details thereof, sector-wise and value-wise in dollar and rupees term alongwith the measures taken/being taken by the Government to increase the FDI inflow?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a): FDI equity inflows, amounting to Rs.16,849 crores (US \$ 3,184 million), were received during April- May, 2012, in comparison to FDI equity inflows of Rs. 34,792 crores (US \$ 7,785 million), received during April-May, 2011.

(b): A statement on FDI equity inflows, sector-wise and month wise, for the months of April, 2011, May, 2011, April, 2012 and May, 2012, is enclosed at Annexure-I. Foreign Direct Investment (FDI) policy is reviewed on an ongoing basis, with a view to making it more investor friendly. Government has put in place an investor-friendly policy on FDI, under which FDI, up to 100%, is permitted, under the automatic route, in most sectors/activities. Significant changes have been made in the FDI policy regime in the recent times, to ensure that India remains increasingly attractive and investor-friendly.

Government plays an active role in investment promotion, through dissemination of information on the investment climate and opportunities in India and by advising prospective investors about investment policies and procedures and opportunities. International Cooperation for industrial partnerships is solicited both through bilateral and multilateral arrangements. It also coordinates with apex industry associations, such as FICCI, CII and ASSOCHAM, in their activities relating to promotion of industrial cooperation, both through bilateral and multilateral initiatives intended to stimulate inflow of foreign direct investment into India.

The Government has also set up 'Invest India', a joint venture company between the Department of Industrial Policy & Promotion and FICCI, as a not-for-profit, single window facilitator, for prospective overseas investors and to act as a structured mechanism to attract investment.