

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:6191

ANSWERED ON:03.05.2013

ATTRACTING FDI

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Will the Minister of FINANCE be pleased to state:

(a) the details of the facilities for attracting Foreign Direct Investment (FDI) provided along with the dates from which these facilities are being provided by the Government during the last three years and the current year;

(b) the amount of FDI inflow and Foreign Exchange Reserves obtained during the same period; and

(c) the measures proposed to be taken in this direction?

Answer

Minister of State in the Ministry of Finance (SHRI NAMO NARAIN MEENA)

(a) 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. The policy on FDI has been further liberalized and rationalized over the year to make it more 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 Federation of Indian Chambers of Commerce and Industry (FICCI), Confederation of Indian Industry (CII) and Associated Chambers of Commerce and Industry of India (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.

(b) The amount of FDI inflow in each of the last three financial year and Foreign Exchange Reserves at the end of respective financial year are as below:

(i) FDI inflows (ii) Foreign Exchange Reserves

Amount US \$ million			US \$ Million		
Financial Year	Total FDI equity	As on the	of	##	Foreign Exchange
	last Friday	Reserves			
the Financial					
Year					
2010-11	21,383.05	25.3.2011	3,03,482.0		
2011-12	35,120.80	30.3.2012	2,94,397.5		
2012-13	20,898.58#	29.3.2013	2,92,646.5		

Upto February, 2013 ## Source: RBI Web-site

(c) Same as (a) above.