

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

UNSTARRED QUESTION NO:1071

ANSWERED ON:12.08.2013

. FDI INFLOW

Das Gupta Shri Gurudas;Kurup Shri N.Peethambara;Naranbhai Shri Kachhadia;Panda Shri Prabodh;Patil Shri A.T. Nana;Rawat Shri Ashok Kumar;Reddy Shri Mekapati Rajamohan;Shetkar Shri Suresh Kumar;Singh Shri Rakesh;Siricilla Shri Rajaiah;Thamaraiselvan Shri R.

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

- (a) the number of foreign companies/entrepreneurs given permission to set up of industries in the country during the last three years along with the name of the companies who have been denied/barred from investment in the country during the said period, company-wise;
- (b) whether the Government proposes to increase the Foreign Direct Investment in broadcasting, print/electronic media and insurance;
- (c) if so, the details thereof along with consultations with the industries/Ministries concerned particularly Home Affairs has been held on the issue of security concerns in the said sectors;
- (d) whether the Government proposes to change the FDI norms in respect of control of companies via back door and if so, the details thereof;
- (e) whether any special criteria is adopted for the allocation of FDI to the States including Gujarat and Madhya Pradesh and if so, the details thereof if not, the reasons therefor;
- (f) whether some foreign companies including Japanese companies propose to shift their offices from China to India for more investment in the country; and
- (g) if so, the details thereof along with nature of assistance being provided to such companies?

**Answer**

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA)

(a): India has a liberal Foreign Direct Investment (FDI) policy wherein most of the sectors are open to Foreign Direct Investment (FDI) on the automatic route except a few which are either prohibited or restricted for FDI. The clearances and permissions for setting up industries are granted by various authorities at the central and state level. Data on the permissions granted /denied is not centrally maintained.

(b) & (c): There is no proposal to increase the FDI limit in broadcasting, print and electronic media.

The Insurance Laws (Amendment) Bill, 2008 proposes to raise the FDI limit in Indian insurance companies from 26% to 49%.

Government has held consultations with concerned Ministries including the Ministry of Home Affairs to address the issues raised by them including security related issues.

(d): Government has approved an amendment in the definition of 'control' under the FDI policy, in order to expand the definition to cover 'control' exercisable inter-alia, through management and policy decisions, shareholding, management rights, shareholders agreements and to ensure alignment with the definition in the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and the definition proposed in the Companies Bill, 2012.

(e): No, Madam.

(f) & (g): Decisions by companies on shifting their offices from one place to another are private business decisions, information on which is not centrally maintained.

Government plays an active role in the promotion of investment in all sectors and from all countries, through dissemination of information on policies, regulations and investment opportunities in the country.

Government has also set up 'Invest India', a joint venture company between Department of Industrial Policy & Promotion and FICCI as a single window facilitator for prospective overseas investors.

