

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

STARRED QUESTION NO:269

ANSWERED ON:10.02.2014

FDI POLICY

Meghwal Shri Arjun Ram ;Ray Shri Saugata

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

- (a) whether the Foreign Direct Investment (FDI) inflow in the country has declined during the last one year and the current year;
- (b) if so, the details thereof along with the number of FDI proposals approved by Foreign Investment Promotion Board and actual FDI inflow during the said period;
- (c) the measures taken/proposed to be taken by the Government to improve the investment environment in the country;
- (d) whether the Government proposes to review FDI policy particularly in pharmaceuticals, agricultural land, multi-layered marketing and direct selling industry to attract more foreign investment in the country; and
- (e) if so, the details thereof along with the study, if any, conducted by the Government to ascertain its impact on various sectors including rural development works and pharmaceuticals companies in the country?

Answer

THE MINISTER OF COMMERCE & INDUSTRY (SHRI ANAND SHARMA)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 269 FOR ANSWER ON 10TH FEBRUARY, 2014, REGARDING FDI POLICY

(a) & (b): The Foreign Direct Investment (FDI) inflows from April, 2011 to November, 2013 and number of FDI proposals approved by Foreign Investment Promotion Board are as under:

S.N.	Financial Year	Total FDI Inflow (US \$ billion)	No. of FIPB approvals
1.	2011-2012	46.56	158
2.	2012-13	36.86	119
3.	2013-14	22.54	95

(Upto Nov., 2013)

(c): 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. Foreign Direct Investment (FDI) policy is reviewed on an ongoing basis, with a view to making it more investor friendly. Significant changes have been made in the FDI policy regime in the recent times, to ensure that India remains an attractive investment destination.

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.

(d): There is no proposal under consideration of Government, in the matter.

(e): The question does not arise.