

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

UNSTARRED QUESTION NO:2975

ANSWERED ON:13.03.2015

. FOREIGN DIRECT INVESTMENT

Chavan Shri Ashok Shankarrao;Deka Shri Ramen;Gupta Shri Sudheer;Kirtikar Shri Gajanan Chandrakant;Ramachandran Shri Krishnan Narayanasamy;Rio Shri Neiphiu;Shekhawat Shri Gajendra Singh;Shetty Shri Gopal Chinayya;Singh Shri Kunwar Haribansh

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

(a) the details of proposals for Foreign Direct Investment (FDI) received including from Non- Resident Indians and approved/rejected by the Foreign Investment Promotion Board along with the actual FDI inflow and its utilisation in various sectors during each of the last three years and the current year, sector and State/UT-wise including North-Eastern States;

(b) the criteria adopted by the Government for inviting investment by foreign companies in the country and benefits accrued to the indigenous companies thereby;

(c) the details of FDI proposals lying pending with the Government for approval, the reasons for their pendency along with the measures taken by the Government for their speedy clearance;

(d) whether some of the FDI proposals received/ cleared are limited to few States only, if so, the details thereof along with the reasons therefor;

(e) whether some companies have been banned to make investment in the country during the said period and if so, the details thereof and the reasons therefor;

(f) whether some business organisations have requested the Government to remove trade and investment barriers and if so, the details thereof; and

(g) the further measures taken/proposed to be taken by the Government including special dispensations/facilities to NRIs to enhance investment in the country as a whole along with the reviews/changes made, if any, in the current FDI norms/policy and the success achieved therefrom?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN)

(a): Year-wise details of the proposals received during the last three years and the current year are as under:

Year	No. of fresh proposals received
2012	218
2013	219
2014	153
2015	21
(till date)	

The details of the proposals approved/ rejected during the last three years and the current year are as under:

Year	No. of proposals approved	No. of proposals rejected
------	---------------------------	---------------------------

2012	199	80
2013	198	33
2014	204	42
2015	11	9
(till date)		

Proposal-wise actual FDI inflows and its utilization in various sectors and State/Union Territory are not maintained centrally.

(b):Investment by foreign companies in the country is guided by the FDI policy. FDI in the country is permitted subject to, applicable laws/regulations; security and other conditionalities. FDI brings much needed capital, technology and global best practices to the investee Indian companies.

(c):Filing of FDI proposals is continuous process and proposals for investment are placed before the FIPP only after completion of all the mandatory paper work.

(d) & (e):FDI proposals can be made for investment in any State of the country. Foreign Investment Promotion Board (FIPB) considers these proposals on case to case basis. FIPB has not banned investment from any company in the country.

(f)&(g):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 including investments from Non- Resident Indians (NRIs). Foreign Direct Investment (FDI) policy is reviewed on an ongoing basis, with a view to making it more investor friendly, including for NRIs. Significant changes in the FDI policy regime have been made in the recent past in certain sectors namely Railway infrastructure, construction development, defence, medical devices & insurance, to provide further openings for FDI in India.

Further, the extant FDI policy allows special dispensation for NRI investments in the construction development sector, Scheduled Air Transport Services, Domestic Scheduled Passenger Airlines, Non-Scheduled Air Transport Services, Non- Scheduled airlines, Chartered airlines, and Cargo airlines.