GOVERNMENT OF INDIA COMMERCE AND INDUSTRY LOK SABHA

UNSTARRED QUESTION NO:2064 ANSWERED ON:28.11.2016 Foreign Direct Investment

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

- (a) the details of the Foreign Direct Investment (FDI) made in the country including under "Make in India Programme" during each of the last three years and the current year, sector-wise;
- (b) whether India is far behind in attracting FDI in comparison to China, if so, the reasons therefor;
- (c) whether the decision to permit 100 per cent FDI has adversely affected the domestic small and medium range industries, if so, the details thereof along with the corrective steps taken by the Government in this regard; and
- (d) whether the Government proposes to review the FDI policy to ease FDI rules for 15 sectors including retail, defence, civil aviation and media, if so, the details thereof, sector-wise?

Answer

- (a): The sector wise information on Foreign Direct Investment (FDI) is available only for FDI equity inflows and is given at Annexure.
- (b): No data regarding FDI received by other countries is maintained by the Government. However, certain international bodies/ agencies have published such comparison. As per the UNCTAD World Investment Report (WIR) 2016, India has been reported among the top 10 host economies. The said report has ranked India at 10th position in comparison to China which has been placed at 3rd position. As per FDI intelligence Report, 2016, a report on global greenfield investment, in 2015, greenfield FDI into India is estimated at US\$63 bn compared to United States US\$59.6 bn and China at US\$ 56.6 bn. FDI inflows depend on a host of factors such as FDI policy, availability of natural resource, market size, infrastructure, political and general investment climate as well as macro-economic stability and investment decision of foreign investors.
- (c): No such assessment has been made by the Government.
- (d): The Government reviews FDI policy on an ongoing basis and significant changes are made in the FDI policy on different sectors, from time to time, to ensure that India remains increasingly attractive and investor-friendly investment destination. With a view to liberalise and simplify the FDI policy, so as to provide ease of doing business in the country leading to larger FDI inflows, the Government vide Press Note 5 (2016) dated 24.6.2016, brought in FDI related reforms and liberalisation in a number of major sectors of the economy.
