

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:950

ANSWERED ON:28.11.2014

UTILISATION OF FDI

Kothapalli Smt. Geetha;Naik Prof. Seetaram Ajmeera;Patil Shri Bheemrao Baswanthrao

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government is aware of the inflow of FDI in various sectors in the country;
- (b) if so, the details thereof during each of the last three years and the current year; and
- (c) the manner in which the Government has utilized such FDI in the various sectors including railways and defence?

**Answer**

Minister of State in the Ministry of FINANCE (SHRI JAYANT SINHA)

(a) Yes, sir

(b) & (c) Details of inflow of FDI during each of the last three years and current year is available on the website of Department of Industrial Policy & Promotion ([www.dipp.nic.in](http://www.dipp.nic.in) -Publications -> FDI Statistics).

Most of FDI comes into the private sector. The Government through Foreign Direct Policy regulates foreign investment. The policy aims to induce manufacturing activities, creation of capital, competitiveness of Indian industry, creation of jobs, transfer of technology, establishment of export -oriented units etc. with a view to development of country and eco-socio integration with the rest of the world.

Recently, Department of Industrial Policy & Promotion vide Press Note No.-8 /2014 dated 27th August, 2014 has allowed private investment to meet the shortage of capital in highly capital and technology intensive areas in Railway Infrastructure. FDI in Defence industries during the last year and current year (up to September, 2014) is US \$ 4.89 Million in view of various restrictions imposed earlier by the Government on account of sensitivity of issue and security concerned. This has been largely relaxed, while maintaining security concerned, vide various Press Notes issued in the 2014 to attract meaningful investment in Defence sector, to encourage manufacturing of defence products in India and to reduce import of defence products from the other countries.

Sector -wise FDI data is Annexed.