

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE**

LOK SABHA

**UNSTARRED QUESTION NO. 2923.
TO BE ANSWERED ON WEDNESDAY, THE 10TH JULY, 2019.**

DECLINE IN FDI

**2923. SHRI JAGDAMBIKA PAL:
SHRI E.T. MOHAMMED BASHEER:
SHRI GAUTAM GAMBHIR:**

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

वाणिज्य एवं उद्योग मंत्री

- (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 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, multilayered 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

**वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)
THE MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)**

- (a): No, Sir. During the last financial year 2018-19, the country has recorded highest ever Foreign Direct Investment (FDI) inflows of USD 64.38 billion which is 6% higher compared to previous financial year 2017-18 (USD 60.97 billion). Further, as per data available for April, 2019 (F.Y. 2019-20), an amount of USD 6.95 billion has been reported as FDI inflows, which is 3% more compared to April, 2018 (USD 6.77 billion).
- (b): The details of FDI inflow and number of FDI proposals approved (this includes proposals through the government approval route only) during the last one year and current year are as under:

S. No.	Financial Year	Amount of FDI Inflow (USD billion)*	FDI Proposals Approved (in number)
1.	2018-19	64.38	59
2.	2019-20	6.95 (upto April, 2019)	5 (upto May, 2019)

(*)-Figures are provisional subject to reconciliation with RBI.

(c) to(e): It has been the endeavour of the Government to put in place an enabling and investor friendly FDI policy. The intent is to make the FDI policy more investor friendly and remove the policy bottlenecks that have been hindering investment inflows into the country. The extant FDI policy framework follows a negative list approach wherein barring a select few sectors, FDI is permitted up to 100% in the automatic route, subject to applicable laws/regulations, security and other conditionalities. Review of FDI policy is an ongoing process and changes are made in the FDI policy regime, from time to time, to ensure that India remains an attractive investment destination. FDI in various sectors is allowed in a calibrated manner after having intensive consultations with stakeholders including concerned Ministries/ Departments, State Governments, apex industry chambers, Associations and other organizations taking into consideration their views/comments. However, no such study has been conducted by the Government.
