

FOREIGN DIRECT INVESTMENT

Relevant for: Indian Economy | Topic: Issues relating to Growth & Development - Foreign Capital, Foreign Trade & BOP

During the last seven financial years, Foreign Direct Investment (FDI) inflows worth US\$ 440.26 billion have been reported in India. FDI inflow in India stood at US\$ 45.15 billion in 2014-2015 and has increased since then. The financial year wise details are as under:

S. No.	Financial Year	Amount of FDI inflows (in US\$ billions)
1.	2014-15	45.15
2.	2015-16	55.56
3.	2016-17	60.22
4.	2017-18	60.97
5.	2018-19	62.00
6.	2019-20	

74.39

7.

2020-21

81.97

To promote Foreign Direct Investment (FDI), the Government has put in place an investor-friendly policy, wherein except for a few sectors, most sectors are open for 100% FDI under the Automatic route. Further, the policy on FDI is reviewed on an ongoing basis, to ensure that India remains attractive & investor friendly destination. Changes are made in the policy after having consultations with stakeholders including apex industry chambers, Associations, representatives of industries/groups and other organizations. Government has recently undertaken a number of reforms across sectors. In the last one year alone, reforms in the FDI policy have been undertaken in sectors such as Insurance, Defence, Petroleum & Natural Gas, Telecom, etc.

Foreign Direct Investment inflows serve to augment domestic investments, promotes industrial development and employment generation across sectors and ancillary industries. Further, such investments bring international best practices and latest technologies which facilitate in skill development, export promotion and improvement of overall competitiveness of economy leading to overall economic growth and development in the country.

This information was given by the Minister of State in the Ministry of Commerce and Industry, Shri Som Parkash, in a written reply in the Lok Sabha today.

DJN/MS/PK

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