

**Special rebate on investments by NRIs
and foreign companies**

†1290. SHRI MEGHRAJ JAIN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government intends to offer special rebate on investments to be made by NRIs, and foreign companies in various sectors to attract foreign investment, if so, the details thereof;

(b) the details of the targets set with regard to direct investment to be made by NRIs and foreign companies during the last three years and in the current year; and

(c) whether the foreign companies and the entrepreneurs have been allowed to set up industries in various sector of the country, if so, the State-wise details of the areas where these industries are going to be established?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) 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.

The extant FDI Policy allows special dispensation for NRI investments in the construction development sector and Civil Aviation sector. Further, the investments made by NRIs, PIOs and OCIs and companies owned by such NRIs, PIOs and OCIs under Schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident Outside India) Regulations on non-repatriation basis are deemed to be domestic investment at par with the investment made by residents.

(b) Government does not fix targets for FDI inflows as FDI is largely a matter of private business decisions. Government of India has put in place a liberal and investor friendly FDI Policy. FDI inflows depend on a host of factors such as 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 data is Centrally maintained in this regard.

† Original notice of the question was received in Hindi.