

e-commerce provided that such company engaged only in Business to Business (B2B) e-commerce. Further, 100% FDI under automatic route is permitted in marketplace model of e-commerce but FDI is not permitted in inventory based model of e-commerce. Moreover, an entity is permitted to undertake retail trading through e-commerce under the following circumstances, subject to FDI policy provisions:—

- (i) A manufacturer is permitted to sell its products manufactured in India through e-commerce retail.
- (ii) A single brand retail trading entity operating through brick and mortar stores is permitted to undertake retail trading through e-commerce.
- (iii) A food product retail trading entity is allowed to undertake retail trading, including through e-commerce, in respect of food products manufactured and/or produced in India.

(c) and (d) In order to provide clarity to FDI policy on e-commerce and to ensure due compliance of the FDI policy on this sector, Press Note 2 (2018) has been issued. There has been no change in FDI Policy on e-commerce. The said Press Note 2 (2018) has been notified *vide* RBI Notification No. FEMA.20(R)(6)/2019-RB dated 31.01.2019 and is effective from 01.02.2019. It places several conditions on e-commerce entities, some of which are as below:

- (i) An entity having equity participation by e-commerce marketplace entity or its group companies, or having control on its inventory by e-commerce marketplace entity or its group companies, will not be permitted to sell its products on the platform run by such marketplace entity.
- (ii) e-commerce marketplace entity will not mandate any seller to sell any product exclusively on its platform only.

These changes are meant to create a level playing field and ensure neutral nature of e-commerce platform.

Growth rate of FDI inflows

1109. DR. BANDA PRAKASH:

SHRI SANJAY RAUT:

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

- (a) whether according to the latest data released by the Department of Industrial Policy and Promotion (DIPP), FDI inflow growth rate recorded a five year low;

- (b) if so, the details thereof and in which sector and what was the FDI outflow;
- (c) whether it is also a fact that external debt has increased during the last three years; and
- (d) if so, the details thereof and remedial measures being taken to shore up the FDI inflows?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C.R. CHAUDHARY): (a) and (b) Measures taken by the Government on Foreign Direct Investment (FDI) policy liberalization coupled with improvement in ease of doing business climate has resulted in unprecedented growth of total FDI inflows. Country has been recording highest ever FDI since 2015-16. It increased from 55.56 USD billion to 60.22 USD billion in 2016-17 and reached to 60.97 USD billion in 2017-18. These figures surpass the FDI inflows of any of the preceding financial years. Year-wise increase in the total FDI inflows can be seen in the following table:

Sl. No.	Financial Year	Total FDI Inflow (in USD billion)
1.	2013-14	36.05
2.	2014-15	45.15
3.	2015-16	55.56
4.	2016-17 (P)	60.22
5.	2017-18 (P)	60.97

(P) - Provisional.

Sector-wise data is available for FDI Equity Inflows the details of which are given in Statement-I (*See below*). The financial-year wise details of India's outward FDI are given in Statement-II (*See below*).

(c) and (d) During the last three years external debt in the country has fluctuated. The details are as under:

India's External Debt

End-March	US\$ billion
2016	484.8
2017	471.5
2018	529.7

Source: Ministry of Finance and Reserve Bank of India.

To promote Foreign Direct Investment (FDI), the Government has put in place an investor-friendly policy, wherein except for a small negative list, most sectors are open for 100% FDI under the Automatic route. The policy on FDI is reviewed on an ongoing basis, to ensure that India remains an attractive and investor friendly destination. Changes are made in the policy after having intensive consultations with stakeholders including apex industry chambers, associations, representatives of industries/groups and other organizations taking into consideration their views/comments. Further, FDI is largely a matter of private business decisions. 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.

Statement-I

Details of financial year-wise FDI Equity Inflows from April 2013 to March 2018

Sl. No.	Sector	2013-14 Apr-Mar	2014-15 Apr-Mar	2015-16 Apr-Mar	2016-17 Apr-Mar	2017-18 Apr-Mar	Total
		FDI in US\$ million	FDI in US\$ million	FDI in US\$ million	FDI in US\$ million	FDI US\$ in million	FDI in US\$ million
1	2	3	4	5	6	7	8
1.	Metallurgical Industries	567.63	359.34	456.31	1,440.18	371.76	3,195.21
2.	Mining	12.73	684.39	520.67	55.75	36.41	1,309.96
3.	Power	1,066.08	707.04	868.80	1,112.98	1,621.00	5,375.91
4.	Non-Conventional Energy	414.25	615.95	776.51	783.57	1,204.46	3,794.75
5.	Coal Production	2.96	0.00	0.00	0.00	0.00	2.96
6.	Petroleum & Natural Gas	112.23	1,079.02	103.02	180.40	24.18	1,498.86
7.	Boilers and Steam Generating Plants	0.17	1.33	77.91	53.91	68.13	201.45
8.	Prime Mover (Other than Electrical Generators)	212.78	230.70	159.13	286.88	159.06	1,048.54
9.	Electrical Equipments	134.31	574.83	444.88	2,230.69	488.72	3,873.44
10.	Computer Software & Hardware	1126.27	2296.04	5904.36	3651.71	6153.20	19131.58

1	2	3	4	5	6	7	8
11.	Electronics	132.58	96.84	208.39	83.97	196.87	718.65
12.	Telecommunications	1,306.95	2,894.94	1,324.40	5,563.69	6,211.84	17,301.82
13.	Information & Broadcasting (Including Print Media)	428.52	254.96	1,009.34	1,516.68	638.67	3,848.17
14.	Automobile Industry	1,517.28	2,725.64	2,526.82	1,609.32	2,089.53	10,468.58
15.	Air Transport (Including Air Freight)	45.95	74.56	361.25	83.40	628.53	1,193.68
16.	Sea Transport	20.49	333.22	429.30	735.06	1,051.49	2,569.55
17.	Ports	0.31	1.90	0.00	0.00	0.00	2.22
18.	Railway Related Components	236.93	129.73	73.99	87.57	98.54	626.76
19.	Industrial Machinery	477.38	716.79	568.26	329.30	462.82	2,554.55
20.	Machine Tools	64.52	24.06	126.38	23.89	45.16	284.02
21.	Agricultural Machinery	48.78	72.35	16.44	15.19	17.20	169.96
22.	Earth-Moving Machinery	34.44	30.11	97.66	52.23	29.18	243.62
23.	Miscellaneous Mechanical & Engineering Industries	288.13	186.69	274.57	245.24	106.42	1,101.06
24.	Commercial, Office & Household Equipments	21.13	33.39	36.68	7.44	20.97	119.62
25.	Medical and Surgical Appliances	173.48	145.93	173.26	479.71	87.23	1,059.61
26.	Industrial Instruments	0.53	0.85	7.42	0.80	2.28	11.88
27.	Scientific Instruments	45.08	32.34	6.36	76.66	5.53	165.98
28.	Fertilizers	20.65	225.32	20.93	0.89	26.68	294.46
29.	Chemicals (Other than Fertilizers)	786.76	762.76	1,469.95	1,392.80	1,307.90	5,720.16
30.	Photographic Raw Film and Paper	0.00	0.75	0.00	0.00	0.00	0.75
31.	Dye-Stuffs	0.00	54.89	3.32	10.70	0.00	68.90

1	2	3	4	5	6	7	8
32.	Drugs & Pharmaceuticals	1,279.34	1,497.74	754.26	857.39	1,009.96	5,398.69
33.	Textiles (Including Dyed, Printed)	198.86	197.42	230.13	618.95	454.45	1,699.82
34.	Paper and Pulp (Including Paper Products)	26.86	116.21	85.21	197.61	71.17	497.06
35.	Sugar	3.08	27.77	105.85	15.92	7.90	160.52
36.	Fermentation Industries	814.58	225.38	202.36	110.86	38.48	1,391.67
37.	Food Processing Industries	3,982.89	515.86	505.88	727.22	904.90	6,636.75
38.	Vegetable Oils and Vanaspati	21.55	148.34	34.22	108.45	85.12	397.69
39.	Soaps, Cosmetics & Toilet Preparations	108.44	177.22	193.26	92.60	137.03	708.55
40.	Rubber Goods	370.54	284.51	296.15	262.76	392.21	1,606.17
41.	Leather, Leather Goods And Pickers	6.14	34.21	17.13	2.30	22.00	81.78
42.	Glue and Gelatin	0.97	21.44	0.82	90.60	3.76	117.60
43.	Glass	43.09	41.82	25.78	51.69	70.92	233.30
44.	Ceramics	150.09	35.29	51.21	15.40	50.12	302.11
45.	Cement and Gypsum Products	254.01	208.99	19.69	2,130.10	19.44	2,632.23
46.	Timber Products	6.16	8.97	53.17	10.23	9.91	88.44
47.	Defence Industries	0.82	0.08	0.10	0.00	0.01	1.01
48.	Consultancy Services	285.85	458.13	517.47	261.14	759.67	2,282.26
49.	Services Sector (Fin., Banking, Insurance, Non Fin/Business, Outsourcing, R&D, Courier, Tech. Testing and Analysis, Other)	2,225.10	3,250.03	6,889.46	8,684.07	6,708.58	27,757.24

1	2	3	4	5	6	7	8
50.	Hospital & Diagnostic Centres	684.58	567.85	742.35	747.38	708.09	3,450.25
51.	Education	262.09	78.86	230.78	160.12	285.75	1,017.59
52.	Hotel & Tourism	486.38	777.01	1,332.69	916.13	1,131.97	4,644.19
53.	Trading	1,343.39	2,727.96	3,845.32	2,338.40	4,348.13	14,603.20
54.	Retail Trading	11.30	168.72	262.24	450.94	223.78	1,116.98
55.	Agriculture Services	91.01	59.95	84.65	76.43	110.19	422.24
56.	Diamond, Gold Ornaments	42.56	280.18	58.54	123.92	233.03	738.23
57.	Tea and Coffee (Processing & Warehousing Coffee & Rubber)	5.86	1.43	1.12	1.60	20.02	30.04
58.	Printing of Books (Including Litho Printing Industry)	113.78	72.58	122.81	53.17	228.40	590.74
59.	Coir	0.54	1.36	0.00	0.00	0.00	1.91
60.	Construction (Infrastructure) Activities	485.37	870.25	4,510.71	1,860.73	2,729.69	10,456.75
61.	Construction Development: Townships, Housing, Built-up Infrastructure And Construction-Development Projects	1,226.05	769.14	112.55	105.14	539.57	2,752.44
62.	Miscellaneous Industries	468.74	765.88	668.77	296.40	398.76	2,598.54
GRAND TOTAL		24,299.33	29,737.27	40,000.98	43,478.27	44,856.75	182,372.60

Statement-II*Financial year-wise details of India's outward FDI*

Sl. No.	Financial Year	Amount (in US\$ million)
1.	2013-14	13282.44
2.	2014-15	6769.93
3.	2015-16	10614.98
4.	2016-17	15267.30
5.	2017-18	11009.79

US-China trade standoff

1110. SHRI HARSHVARDHAN SINGH DUNGARPUR:

SHRI SANJAY RAUT:

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

(a) whether Government is seizing the opportunity of the US and China trade war and position itself to enter into a long term agreement with the US Government on trade relations;

(b) if so, the details thereof; and

(c) how Government will ensure providing conducive atmosphere for US businessmen after their exit from China in the backdrop of US-China trade standoff?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C.R. CHAUDHARY): (a) Yes, Sir.

(b) Government has sensitized and requested all the trade promotion bodies to work towards enhancing exports by capitalizing on opportunities arising from the ongoing tariff war, which provides a window by making certain Indian commodities cost competitive in the U.S market.

(c) India believes in rule based trading system for promoting free and fair trade. India has robust economic and strategic ties with US and the relations are strengthened through continuous bilateral engagement for creating a conducive atmosphere for business in India. India's FDI regime has been progressively liberalized and any enterprise wishing to invest in India is facilitated by 'Invest India'.