



Clearance of FDI Proposals

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The Government, through erstwhile Foreign Investment Promotion Board (FIPB), had already been considering and taking decisions on Foreign Direct Investment (FDI) proposals in the sectors on approval route. The work of granting government approval for foreign investment in eleven notified sectors/activities requiring government approval under the extant FDI Policy and Foreign Exchange Management Act (FEMA), has now been entrusted to the concerned Administrative Ministries/Departments. Consequently, Standard Operating Procedure (SOP) for processing FDI Proposals has also been issued on 29th June, 2017, which is available on the website of fipb.gov.in.

99 FDI proposals were pending in various Ministries/Departments as per the following:

Name of Ministry/Department	No. of Proposals
Department of Economic Affairs	13
Department of Pharmaceuticals	14
Department of Industrial Policy & Promotion	48
Department of Telecommunications	8
Department of Defence Production	4
Ministry of Home Affairs	5
Ministry of Information and Broadcasting	4
Department of Space	2
Department of Financial Services	1
Total	99

According to the SOP, once the proposal is complete in all respects, which should not be later than six weeks/eight weeks (in cases where comments of Ministry of Home Affairs have been sought from security clearance point of view) from the receipt of the proposal, the Competent Authority shall, within the next two weeks, process the proposal for decision and convey the same to the applicant.

In respect of proposals where the Competent Authority proposes to reject the proposals or in cases where conditions for approval are stipulated in addition to the conditions laid down in the FDI policy or sectoral laws/regulations, concurrence of Department of Industrial Policy and Promotion shall compulsorily be sought by the Competent Authority within 8 weeks/10 weeks (in cases where comments of Ministry of Home Affairs have been sought from security clearance point of view) from the receipt of the proposal.

This information was given by the Commerce and Industry Minister Smt. Nirmala Sitharaman in a written reply in Rajya Sabha today

