

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
LOK SABHA
UNSTARRED QUESTION NO. 1196
ANSWERED ON 08.12.2025

Foreign Companies Projects in the Country

1196. **Shri Selvaganapathi T.M.:**

Will the Minister of Finance be pleased to state:

- (a) whether it is a fact that the foreign companies are dropping their projects in the country and are slowing down on making new project announcements, if so, the details thereof;
- (b) whether it is also a fact that foreign companies halted projects worth over Rs. 2 lakh crore in the country during the first quarter of the current financial year, if so, whether such impact is more than 1200 per cent higher than the corresponding quarter last year, if so, the details thereof;
- (c) whether it is also true that the value of the projects dropped by foreign companies was higher since the year 2013-2014; and
- (d) if so, the details and the reasons therefor?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (d). Foreign Direct Investment (FDI) is considered as a major source of non-debt financial resource for economic growth. Gross FDI flows into India have grown consistently over the last more than a decade. The Government has implemented various measures to stimulate FDI inflows. The Government has put in place an investor-friendly policy, wherein most sectors except certain strategically important sectors, are open for 100% FDI under the automatic route. More than 90% of the FDI inflow is received under the automatic route. India continues to open up its economy to global investors by raising FDI limits, removing regulatory barriers, developing infrastructure and improving business environment. For instance, the Union Budget 2025-26 also announced for the further increase of FDI sectoral cap for the insurance sector from 74% to 100%.

FDI inflows into India have increased from USD 36.05 billion in financial year 2013-14 to USD 80.62 billion in financial year 2024-25. FDI inflow reported during the first half of financial year 2025-26 (USD 50.36 billion) has increased by 16% compared to year ago period (USD 43.37 billion). It is the highest ever FDI inflow for 1st half of a financial year.
