

FDI in India rises 30% to \$21.6 bn in April-Sept

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Foreign direct investment (FDI) into the country grew by over 30 per cent to \$21.62 billion during the first half of 2016-17.

During April-September of 2015-16, India received FDI worth \$16.63 billion, an official said.

“Ease of doing business and relaxation in the FDI policy are helping attract more and more FDI. The recent easing in sectors such as civil aviation and construction will help in attracting more overseas funds,” the official added.

The sectors that receive maximum inflows include computer hardware and software, trading business, the automobile industry and chemicals.

India receives maximum FDI from countries including Mauritius, Singapore, the Netherlands and Japan.

In 2015-16, FDI went up 29 per cent to \$40 billion as against \$30.93 billion in the previous fiscal.

Foreign investment is considered crucial for India, which needs around \$1 trillion to overhaul its infrastructure such as ports, airports and highways to put growth on a higher trajectory.

Growth in foreign investments helps improve the country’s balance of payments (BoP) situation and strengthens the rupee.