



U.P. overtakes 22 states in Foreign Direct Investment (FDI) | Uttar Pradesh | 05 Sep 2023

Why is News?

- According to information received from the media on September 4, 2023, Uttar Pradesh has seen a surprising rise in Foreign Direct Investment (FDI). In terms of FDI in the five years between 2019 and 2023, Uttar Pradesh has left behind 22 states including Andhra Pradesh, Punjab, Kerala, Chandigarh and Madhya Pradesh.

Key Points:

- According to the information, in the 17 years between 2001 and 2017, about four times as much foreign investment came in Uttar Pradesh, in just five years between 2019 and 2023.
- According to the Department for Promotion of Industry and Internal Trade and the Reserve Bank of India, between 2000 and 2017, foreign investment of only Rs 3,000 crore came in Uttar Pradesh, while between 2019 and June 2023, about Rs 11,000 crore was directly invested from abroad. .
- Between October 2019 and June 2023, Uttar Pradesh has come at the 11th position in the list of foreign direct investment in different states of the country. Above Uttar Pradesh are Maharashtra, Karnataka, Gujarat, Delhi, Tamil Nadu, Haryana, Telangana, Jharkhand, Rajasthan and West Bengal.
- Uttar Pradesh has left behind 22 states including Punjab, Andhra Pradesh, Kerala, Madhya Pradesh, Himachal, Bihar, Chandigarh, Goa, and Chhattisgarh. Looking at the economic growth, this year Uttar Pradesh is expected to be included in the top 10 states of the country.
- Investment is considered an index of progress and the social & political environment of any state. The state whose image will be of low crime rate, political stability and policies promoting industries, there the pace of investment is fast and high. These standards are even more sensitive in the case of investments coming from foreign companies.
- There has been a record increase in FDI in this sector only because of improving the image of Uttar Pradesh. According to the regional offices of RBI, in the last 17 years, FDI of only Rs 3018 crore came in Uttar Pradesh. In the year 2014-15, Rs 679 crore, in 2015-16 Rs 524 crore, in the year 2016-17 foreign investment of Rs 50 crore came. In the 14 years between 2000 and 2014, only about Rs 1800 crore came in the form of FDI.



PDF Reference URL: <https://www.drishtias.com/statepcs/06-09-2023/uttar-pradesh/print>

