GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE

RAJYA SABHA

UNSTARRED QUESTION NO. 549.
TO BE ANSWERED ON FRIDAY, THE 5TH FEBRUARY, 2021

DECLINE IN FDI

549 SHRI MALLIKARJUN KHARGE:

Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that total Foreign Direct Investment (FDI) flow into the country, as a percentage of GDP, has actually declined since the 'Make In India' campaign was started, as compared to that of 2009-2014 period;

(b) if so, whether the 'Make in India' campaign has been successful enough in bringing FDI flows;

(c) post-covid, with global flows of FDI falling by 49 per cent in first half of 2020 as per UNCTAD, whether Government plans to discontinue the campaign given that it has failed to bring in more FDI; and

(d) if not, the reasons for continuing it?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI SOM PARKASH)

(a): No Sir, total Foreign Direct Investment (FDI) inflow in terms of percentage of GDP has increased from 2.21 percent to 2.41 percent. Details are as under:

Period	Total FDI inflow (Rs. in crores)	Total FDI inflow in terms of percentage of GDP
2009-10 to 2013-14	9,69,361	2.21 %
2014-15 to 2018-19	18,70,616	2.41 %

(b)to(d): 'Make in India' was launched on September 25, 2014, to facilitate and attract investment, foster innovation, build the best in class infrastructure , with an aim to make India a hub for manufacturing, design, and innovation. The development of a robust manufacturing sector continues to be a key priority of the Indian Government. It was one of the first `Vocal for Local' initiatives that projected India's manufacturing expertise to the world. The sector has the potential to not only take the economic growth to a higher trajectory but also to provide further employment to a large pool of our young labour force.

Despite UNCTAD reporting decline in global flows of FDI in 2020, India has registered a total FDI Inflow of Rs. 4,35,231 crore (provisional figure) during April to November, 2020, which is the highest ever for first 8 months of a financial year and 30% higher as compared to the first 8 months of F.Y. 2019-20 (Rs. 3,33,801 crore).

****