

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 2661
ANSWERED ON 11.08.2023

FDI IN MANUFACTURING SECTOR

2661. SHRI DEREK O' BRIEN:

Will the Minister of **Heavy Industries** be pleased to state:

- (a) whether it is a fact that Foreign Direct Investment inflows to the manufacturing sector fell by 22 per cent in the Financial Year 2023;
- (b) the reasons as to why multinational companies are diversifying supply chains away from China with their 'China Plus One' strategy; and
- (c) the data on youth employment within the heavy industries sector between 2018-2023 given the sluggish growth observed in the manufacturing sector?

ANSWER
THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SH. KRISHAN PAL GURJAR)

(a): Sir, the total Foreign Direct Investment (FDI) inflow includes equity inflow, equity capital of unincorporated bodies, re-invested earnings and other capital. The sector-wise details are maintained only for equity component of total FDI inflow. Accordingly, the details of FDI Equity inflow, reported in the manufacturing sectors during the last 5 financial years are as under:

Financial Year	FDI Equity inflow in Manufacturing Sectors (in USD million)	Growth (%)
2018-19	14,379	-
2019-20	17,119	19%
2020-21	12,094	- 29%
2021-22	21,341	76%
2022-23	15,136	- 29%

(b): The MNCs are independent to take their own business decisions to remain competitive in global market.

(c): Data is not maintained in such a segregated manner.
