

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

**UNSTARRED QUESTION NO. 2122.
TO BE ANSWERED ON FRIDAY, THE 09TH AUGUST, 2024.**

FOREIGN INVESTMENTS IN MANUFACTURING SECTOR

2122 DR. ASHOK KUMAR MITTAL:

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

- (a) whether India is rapidly emerging as a preferred country for foreign investments in the manufacturing sector;
- (b) if so, the details thereof;
- (c) the details of the quantum of foreign investments received during the last five years, State-wise;
- (d) whether Government has given any concessions/incentives to those foreign companies to attract more investments for ease of doing business in the country;
- (e) if so, the details thereof; and
- (f) the number of companies that have invested in India during the last five years, the details thereof, year-wise?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI JITIN PRASADA)

- (a) & (b) :** India is rapidly emerging as a preferred country for foreign investment in the manufacturing sector. Foreign Direct Investment (FDI) equity inflow in the manufacturing sectors in the last ten financial years i.e. 2014-24 has increased by 69% to USD 165.1 billion as compared to USD 97.7 billion in the previous ten financial years i.e. 2004-14.
- (c) :** State-wise details of foreign investments reported through Foreign Direct Investment (FDI) Equity inflow in the country is maintained since October, 2019. Details are given at Annexure.
- (d) & (e) :** Government reviews the FDI policy on an ongoing basis and makes significant changes from time to time, to ensure that India remains attractive & investor friendly destination. FDI Policy is an enabling policy which is uniformly

applicable across the country. To attract more FDI, the Government has put in place an investor friendly FDI policy, wherein most of the sectors, except certain strategically important sectors, are open for 100% FDI under the automatic route. The Government has implemented several radical and transformative FDI reforms across sectors such as Defence, Pension, Other Financial Services, Asset reconstruction Companies, Broadcasting, Pharmaceuticals, Single Brand Retail Trading, Construction & Development, Civil Aviation, Power Exchanges, ecommerce activities, Coal Mining, Contract Manufacturing, Digital Media, Insurance Intermediaries, Insurance, Petroleum & Natural Gas and Telecom, etc. along with foreign investment, Government of India has undertaken various steps to boost domestic investments in India.

These include introduction of Goods and Services Tax, rationalization in Corporate tax, interventions to improve Ease of Doing Business, measures for reduction in compliance burden, measures to boost domestic manufacturing through public procurement orders, Phased Manufacturing Programme (PMP), to name a few. Government has taken a series of policy initiatives to improve the economic situation and convert the disruption caused by COVID 19 into an opportunity for growth. These includes Atmanirbhar packages, introduction of Production Linked Incentive (PLI) Scheme in fourteen (14) sectors, investment opportunities under National Infrastructure Pipeline (NIP) and National Monetisation Pipeline (NMP), India Industrial Land Bank (IILB), Industrial Park Rating System (IPRS), soft launch of the National Single Window System (NSWS), etc. An institutional mechanism to fast-track investments has been put in place, in the form of Project Development Cells (PDCs) in all concerned Ministries/ Departments of Government of India. All the above initiatives/ schemes are implemented across various Ministries/Departments, Central Government and State Governments. To improve Ease of Doing Business and Ease of Living, the Government has taken initiatives to Simplify, Rationalize, Digitize, and Decriminalize Government to Business and Citizen Interface across all the States/UTs. So far, more than 42,000 compliances have been reduced and more than 3,800 provisions have been decriminalized.

- (f): Total FDI inflow of USD 383.50 billion has been reported in the country during the past five (5) financial years i.e. 2019-20 to 2023-24. Total FDI inflow includes equity inflow, equity capital of unincorporated bodies, reinvested earnings, and other capital. Sector/State/Country-wise details are maintained only for equity component of FDI inflow. However, data of number of companies that have invested in India during the last five years is not centrally maintained.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PART (c) OF THE RAJYA SABHA UNSTARRED QUESTION NO. 2122 FOR ANSWER ON 09.08.2024.

STATE-WISE FDI EQUITY INFLOW FROM OCTOBER 2019 TO MARCH 2024

Sr. No.	State Name	Amount of FDI Equity Inflow
		Amount (In USD Million)
1	2	3
1	MAHARASHTRA	69,086.60
2	KARNATAKA	51,031.41
3	GUJARAT	39,201.41
4	DELHI	31,716.47
5	TAMIL NADU	10,937.98
6	HARYANA	9,729.78
7	TELANGANA	7,773.89
8	JHARKHAND	2,667.10
9	RAJASTHAN	2,343.73
10	UTTAR PRADESH	1,634.97
11	WEST BENGAL	1,609.67
12	PUNJAB	1,141.87
13	KERALA	978.69
14	ANDHRA PRADESH	888.13
15	MADHYA PRADESH	553.49
16	HIMACHAL PRADESH	250.41
17	BIHAR	214.63
18	UTTARAKHAND	187.00
19	Dadra and Nagar Haveli and Daman and Diu	176.84
20	ODISHA	168.55
21	GOA	165.21
22	CHANDIGARH	109.33
23	PUDUCHERRY	68.05
24	CHHATTISGARH	53.88
25	State Not Indicated	28.89
26	ASSAM	20.85
27	ARUNACHAL PRADESH	5.55
28	MEGHALAYA	1.10
29	JAMMU AND KASHMIR	1.08
30	TRIPURA	0.75
31	LADAKH	0.22
32	NAGALAND	0.01
33	MANIPUR	0.0006
	Gross-Total	232,747.55

*Total FDI inflow includes equity inflow, equity capital of unincorporated bodies, re-invested earnings, and other capital. Sector/State/Country-wise details are maintained only for equity component of FDI inflow.
