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

UNSTARRED QUESTION NO. 2128. TO BE ANSWERED ON FRIDAY, THE $13^{\rm TH}$ DECEMBER, 2024.

FDI IN PRIMARY PRODUCTION SECTORS

2128. Shri Sanjay Singh:

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

- (a) the amount of Foreign Direct Investment (FDI) received in the primary production sectors during last three years;
- (b) the steps being taken to promote local employment and skill development through FDI, the details thereof, State-wise; and
- (c) Government's plan to promote "Make in India" in high-tech industries?

ANSWER

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

- (a): As per NIC-2008 classification of economic activities, at international level primary production include agriculture and mining. Accordingly, the details of Foreign Direct Investment (FDI) reported through equity inflow, in DPIIT's FDI Sectors broadly related to primary production (related to Section-A and Section-B of Broad structure of NIC-2008 classification), during the last three financial years (i.e. 2021-22 to 2023-24) is at **Annexure-I**.
- (b): Government reviews FDI Policy on an ongoing basis and changes are made in the FDI Policy on different sectors, from time to time, to ensure that India (consequently any state) remains increasingly attractive and investor-friendly investment destination. FDI serves an important role in augmenting domestic capital that helps promote industrial development and employment generation across various sectors and industries. FDI directly supplements the domestic capital and brings technology and skill in the sectors of direct entry. It also has indirect multiplier effects on other related sectors thereby stimulating economic growth leading to increased production, exports and job opportunities.
- (c): 'Make in India' Initiative was launched on 25th September, 2014 to facilitate Investment, foster Innovation, build best in class Infrastructure, and make India a hub for manufacturing, design, and innovation. It is one of the unique 'Vocal for Local' initiatives that promoted India's manufacturing domain to the world. Investment outreach is being done through Ministries, State Governments and Indian Missions abroad for enhancing international co-operation for promoting Domestic and Foreign

Direct Investment (FDI) in the country. Presently, make in India 2.0 focuses on 27 sectors implemented across various Ministries and Departments and State Governments. The Sectors have been an annexed at Annexure II.

In addition to ongoing schemes of various Ministries and Departments, Government has taken various steps to boost share of manufacturing in Gross Value Added (GVA). These include the introduction of Goods and Services Tax, reduction in corporate tax, improving ease of doing business, Foreign Direct Investment (FDI) policy reforms, measures for reduction in compliance burden, measures to boost domestic manufacturing through Public Procurement (Preference to Make in India) Orders, Phased Manufacturing Programme (PMP) and QCOs (Quality Control Orders), to name a few.

Production Linked Incentive (PLI) Schemes for 14 key sectors (with an incentive outlay of Rs. 1.97 lakh crore) are under implementation to enhance India's manufacturing capabilities and exports. With announcement of PLI Schemes, significant improvement in production, skills, employment, economic growth and exports is expected over the next five years and more. The Production Linked Incentive (PLI) Scheme is positioning India as a key player in the global value chain by incentivizing manufacturing in high-growth sectors such as electronics, pharmaceuticals, and renewable energy. With a focus on export-oriented growth, the PLI scheme strengthens India's role in global supply chains, attracting significant FDI and integrating the country into critical production networks.

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE RAJYA SABHA UNSTARRED QUESTION NO. 2128 FOR ANSWER ON 13.12.2024.

FDI EQUITY INFLOW IN SECTORS BROADLY RELATED TO PRIMARY PRODUCTION FROM April 2021 TO March 2024

Amount (In USD Million)

Sr. No.	Sector	2021-22	2022-23	2023-24
1	2	3	4	5
1	Agriculture Services	258.47	450.70	57.23
2	Mining	344.61	167.15	72.58
3	Petroleum & Natural Gas	56.41	107.55	32.58
4	Tea And Coffee (Processing & Warehousing Coffee & Rubber)	3.09	71.22	10.28
5	Timber Products	20.45	22.24	8.89
6	Vegetable Oils And Vanaspati	5.85	15.74	59.35

ANNEXURE REFERRED TO IN REPLY TO PART (c) OF THE RAJYA SABHA UNSTARRED QUESTION NO. 2128 FOR ANSWER ON 13.12.2024.

Manufacturing Sectors

- i. Aerospace and Defence
- ii. Automotive and Auto Components
- iii. Pharmaceuticals and Medical Devices
- iv. Bio-Technology
- v. Capital Goods
- vi. Textile and Apparels
- vii. Chemicals and Petrochemicals
- viii. Electronics System Design and Manufacturing(ESDM)
- ix. Leather & Footwear
- x. Food Processing
- xi. Gems and Jewellery
- xii. Shipping
- xiii. Railways
- xiv. Construction
- xv. New and Renewable Energy

Service Sectors

- i. Information Technology & Information Technology enabled Services (IT&ITeS)
- ii. Tourism and Hospitality Services
- iii. Medical Value Travel
- iv. Transport and Logistics Services
- v. Accounting and Finance Services
- vi. Audio Visual Services
- vii. Legal Services
- viii. Communication Services
 - ix. Construction and Related Engineering Services
 - x. Environmental Services
 - xi. Financial Services
- xii. Education Services
