Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the manner in which financial assistance is provided to the companies manufacturing products under the ‘Make in India’ scheme;

(b) whether any assistance is provided to such companies for manufacturing their products along with tax relief being given for selling their products;

(c) if so, the State/UT-wise names of the companies with over rupees two crore turnover that have been benefitted during each of the last three years;

(d) the place-wise raw materials acquired by the companies for manufacturing their products in regard to which the information has been sought along with the details thereof;

(e) whether the Government proposes to conduct any enquiry in this regard and if not, the reasons therefor;

(f) whether several companies, while importing parts, are only engaged in assembling them and selling the same by labelling them under the ‘Make in India’ programme, thereby taking undue advantage of the scheme; and

(g) if so, the details thereof along with the steps taken/to be taken by the Government in this direction?

ANSWER

‘Make in India’ is not a scheme rather an initiative which was launched on September 25, 2014 with the objective of facilitating investment, fostering innovation, building best in class manufacturing infrastructure, making it easy to do business and enhancing skill development. Action Plans for 21 key sectors were identified for specific actions under (i) Policy Initiatives (ii) Fiscal Incentives (iii) Infrastructure Creation (iv) Ease of Doing Business (v) Innovation and
R&D (vi) Skill Development areas. Further, ‘Make in India’ initiative has been reviewed and is now focusing on 27 sectors. Department for Promotion of Industry and Internal Trade is coordinating action plans for 15 manufacturing sectors while Department of Commerce is coordinating 12 service sectors. The list of 27 sectors is placed at Annexure I.

The Government of India is making continuous efforts under Investment Facilitation including financial assistance to Invest India and for implementation of Make in India action plans to identify potential investors. Support is being provided to Indian Missions abroad and State Governments for organising events, summits, road-shows and other promotional activities to attract investment in the country under the Make in India banner. Investment Outreach activities are being carried out for enhancing International co-operation for promoting FDI and improve Ease of Doing Business in the country.

The total Foreign Direct Investment (FDI) inflow was USD 305.21 billion between April 2014 and June 2019- representing 48.5% of the cumulative FDI in India since April 2000. In 2018-19, FDI inflow stood at a record of USD 62 billion, highest ever recorded for a fiscal year ever specially in Communication services, Automotive and Auto Components, Construction, Chemicals and Petrochemicals and Tourism and Hospitality Services Sectors.

Steps taken to improve Ease of Doing Business include simplification and rationalisation of existing processes. As a result of the measures taken to improve the country’s investment climate, India jumped to 63rd place in World Bank’s Ease of Doing Business ranking as per World Bank’s Doing Business Report (DBR) 2020. This is driven by reforms in the areas of Starting a Business, Paying Taxes, Trading Across Borders, and Resolving Insolvency.

There is no provision for providing financial assistance to the companies manufacturing products under the ‘Make in India’ initiative.

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ANNEXURE I

ANNEXURE REFER TO IN REPLY TO PARTS (a) TO (g) OF THE LOK SABHA UNSTARRED QUESTION NO. 3723 FOR ANSWER ON 11.12.2019.

List of 27 Sectors under ‘Make in India’ initiative

(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 Petro chemicals
(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
(xvi) Information Technology & Information Technology enabled Services (IT &ITeS)
(xvii) Tourism and Hospitality Services
(xviii) Medical Value Travel
(xix) Transport and Logistics Services
(xx) Accounting and Finance Services
(xxi) Audio Visual Services
(xxii) Legal Services
(xxiii) Communication Services
(xxiv) Construction and Related Engineering Services
(xxv) Environmental Services
(xxvi) Financial Services
(xxvii) Education Services

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