

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

**UNSTARRED QUESTION NO. 1652.
TO BE ANSWERED ON MONDAY, THE 21ST SEPTEMBER, 2020.**

INCENTIVES TO ATTRACT FOREIGN COMPANIES

1652. SHRI PARTHIBAN S.R.:

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Government has offered/is planning to offer incentives to the new foreign companies to set up factories in the country due to COVID-19;
- (b) if so, the details thereof along with the aims and objectives thereto; and
- (c) the time by which the said decision is likely to be implemented/come into force?

ANSWER

वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)

**THE MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)**

(a) to (c): The Government has put in place a liberal and transparent policy for Foreign Direct Investment (FDI), wherein most of the sectors are open to FDI under the automatic route. It is a constant endeavour of the Government to facilitate foreign investment in manufacturing and other sectors of the country. To attain this objective, regular interaction are held with countries at bilateral & multilateral levels, active engagement with industry bodies & experts are held, so as to further simplify procedures and regulations related to ease of doing business. These effort made over the years has not only improved our EoDB ranking to 63 in 2019 from 142 in 2014, it has also resulted in the highest ever FDI Inflow of US \$ 74.39 billion (provisional figure) in the country during the last financial year 2019-20, which is a new all-time high.

The Government reviews the FDI policy on an ongoing basis and makes changes from time to time, to ensure that India remains an attractive investor destination. The intent is to make the FDI policy more investor friendly and remove any policy bottlenecks that may have been hindering investment inflows into the country.

With a view to support and facilitate investments into India, the Government is working hard to further institutionalize more investor friendly reforms. The Government has constituted an Empowered

Group of Secretaries (EGoS) to provide support and facilitation to investors for investing in India and to boost growth in key sectors of the economy. EGoS shall identify potential investors/organisations, make recommendations to the Ministry/Department to promote investment, facilitate hand-holding of investors, examine and suggest ways to attract more investment in greenfield projects. Project Development Cells (PDCs) have been set up in Ministries/Departments to fast track investments with coordination between Central Government Ministries and State Governments and thereby grow the pipeline of investments projects in India. Several steps like Production Investment Scheme, GIS mapping of available land banks, issuance of Quality Control Orders to cut down cheap imports and many such measures have already been put into place to attract further investment into the country. Investment decisions are based on all such conducive factors, facilitation of efforts between the Centre and State Governments and it is envisaged to result in even greater amounts of FDI inflows and create an investment-friendly and business conducive ecosystem to further drive investment growth in India.
