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

LOK SABHA

UNSTARRED QUESTION NO. 2948.
TO BE ANSWERED ON WEDNESDAY, THE 15TH DECEMBER, 2021.

SHIFTING PRODUCTION FROM CHINA TO INDIA

2948. SHRI RAKESH SINGH:

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

(a) whether the global companies are closing their business in China and moving to other countries and if so, the details thereof;

(b) whether the Government has taken any steps to set up global business in the country and to take advantage of the said opportunity;

(c) if so, the details thereof;

(d) whether the Government has got success in the said work and the said global companies have set up their business in the country; and

(e) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI SOM PARKASH)

(a) to (e): Various initiatives/schemes have been launched by Government for promoting growth and attracting investment in India. The Make in India programme was launched on 25th September, 2014 with aim of facilitating enhanced investment, foster innovation, build best in class infrastructure, and make India a hub for manufacturing, design, and innovation. Continuous efforts are made under Investment Facilitation and Outreach for implementation of Make in India action plans to identify potential investors, support Indian Missions abroad and State Governments for organizing events, summits, road-shows and other promotional activities to attract investments in the country.

Measures have been taken to improve the country’s investment climate, as a result of which India jumped to 63rd place in World Bank’s Ease of Doing Business [EODB] ranking as per World Bank’s Doing Business Report (DBR) 2020 from a rank of 142 in 2014. Department for Promotion of Industry and Internal Trade (DPIIT), in consultation with the State Governments, has also started a comprehensive reform exercise in States and UTs in December 2014. Under Business Reforms Action Plan (BRAP), all States/UTs in the country are ranked on the basis of
reforms implemented by them on designated parameters. This exercise has helped in improving business environment across States.

An **Empowered Group of Secretaries** has been constituted to fast track investments in the country. Similarly **Project Development Cells** (PDCs) have been set up across Central Government Ministries / Departments to handhold investors and spur sectoral and economic growth. Further, a **GIS-enabled India Industrial Land Bank** has been launched to help investors identify their preferred location for investment. National Single Widow System (NSWS) has also been softly launched in September, 2021 to facilitate clearances for investors.

Keeping in view India’s vision of becoming ‘Atmanibhar’ and to enhance India’s manufacturing capabilities and exports, an outlay of INR 1.97 lakh crore (over US$ 26 billion) has been announced in Union Budget 2021-22 for **Production Linked Incentives (PLI) schemes** for 14 key sectors of manufacturing starting from fiscal year (FY) 2021-22. With the announcement of PLI Schemes, significant creation of production, employment, and economic growth is expected over the next 5 years and more.

Measures taken by the Government including on FDI Policy reforms have resulted in **increased FDI inflows** in the country year after year. India registered its highest ever annual FDI inflow of US$ 81.97 billion (provisional figures) in the financial year 2020-21 despite the COVID related disruptions. These trends in India’s FDI are an endorsement of its status as a preferred investment destination amongst global investors. In the last seven financial years (2014-21), India has received FDI inflow worth US$ 440.27 billion which is nearly 58 percent of the FDI reported in the last 21 years (US$ 763.83 billion). This indicates increasing inclination of global companies to set up their business in India.

Government has taken **various other steps** in addition to ongoing schemes to boost domestic and foreign investments in India. These include measures to reduce compliance burden for industry, National Infrastructure Pipeline, Reduction in Corporate Tax, Easing liquidity problems of NBFCs and Banks, Policy measures to boost domestic manufacturing through Public Procurement Orders, Phased Manufacturing Programme (PMP), and Schemes for Production Linked Incentives (PLI) of various Ministries, India Industrial Land Bank, Industrial Park Rating System etc. With the announcement of PLI Schemes, significant creation of production, employment, and economic growth is expected over the next 5 years and more.

Besides the above, activities are also undertaken through schemes/programmes, by several Central Government Ministries / Departments and various State Governments from time to time. The details of these measures are not centrally maintained by Department for Promotion of Industry and Internal Trade.

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