

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

**UNSTARRED QUESTION NO. 2336.
TO BE ANSWERED ON TUESDAY, THE 06TH AUGUST, 2024.**

PROMOTION IN FOREIGN INVESTMENT

2336. DR. JAYANTA KUMAR ROY:

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether 'Invest India' which was launched by the Government with Federation of Indian Chambers of Commerce and Industry (FICCI) for promoting foreign investments in the country has achieved its objectives for which it was set up;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) the current shareholding pattern of invest India along with the details of projects which are being handled by invest India;
- (d) the details of schemes/programmes and their achievements so far in terms of Foreign Direct Investment (FDI) inflows, year and sector-wise;
- (e) whether the Government has any mechanism to monitor the implementation of programme and if so, the details thereof; and
- (f) the other steps taken by the Government to make the 'Invest India' programme more effective?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)

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

- (a) to (c):** Invest India, was formed in 2009 under Section 25 of the Companies Act 1956 for promotion of foreign investment with 49% equity of the then Department of Industrial Policy and Promotion, Ministry of Commerce and Industry and 51% shareholding by FICCI.

The purpose of setting up of Invest India, a National Investment Promotion and Facilitation Agency is to act as a first point of reference for any Investor interested in India and provide information on issues, such as tax rates, skill availability and advantages that states have to offer, at a single point about all the states. It also undertakes promotional work and attract Investment especially by expanding global investor awareness beyond the metros.

Invest India facilitated the grounding of 27 projects in FY 2023-24 with an expected investment value and potential employment of ~ \$1.45 billion and around 52,000, respectively, as reported by the companies. Invest India resolved 4,864 inbound investor queries related to Make in India in FY 2023-24.

The current shareholding pattern of Invest India is 51% of Industry Associations (i.e. 17% each of FICCI, CII & NASSCOM) and 49% of Government of India. As on date, DPIIT is holding 36% and 13% shareholding is with 26 State Governments (0.5% each State).

The projects being handled by Invest India, inter-alia, include the following:-

- i. Investor targeting & facilitation – Domestic & International activities:** Providing facilitation to prospective investors at central and state level. Other activities under Investor facilitation are :- Focused Investor targeting & country sector outreach, Organizing CEO Forums and Joint Commission meetings, Support to Indian missions abroad for Market Entry Support Programme (MESP), Project Monitoring via PMG Invest India Cell, Investment Clearance Cell (National Single Window System), Supporting Industrial Clusters (via Industrial Information System /Industrial Park Rating System), Investment Facilitation for North-East India, Monitoring of FDI activities via FDI Monitoring Cell, Monitoring and developing a pipeline of Investible projects via Empowered Group of Secretaries and Project Development Cells, Regional ecosystem development via One District One Product, Supporting domestic investors via Domestic Investor Cell, and Listing of investible projects via India Investment Grid.

- ii. Investment promotion - Amplification & outreach activities:** To sustain and enhance the momentum towards making India the preferred Investment destination and promote “Brand India” and strategize amplification & outreach, Support Indian Missions abroad to Investment Promotion, Support to State Government & Industry Associations in their Investment promotion activities.

- iii. Project management activities:** Preparing Industry/sectoral reports and concept papers for Innovative projects to attract Investments by undertaking in-depth research and analysis of the Investment promotion ecosystem.

(d) to (f): 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. Almost 90% of the FDI inflow is received under the automatic route. India continues to open up its economy to global investors by raising FDI limits, removing regulatory barriers, developing infrastructure and improving business environment.

Further, to ensure that India remains an attractive and investor friendly destination, the Government reviews FDI policy on an ongoing basis and makes changes from time to time after having intensive consultations with stakeholders including apex industry chambers, Associations, representatives of industries/groups and other organizations taking into consideration their views/comments. In the recent past, reforms in the FDI Policy have been undertaken in sectors such as Defence, Insurance, Petroleum & Natural Gas and Telecom etc. The Government reviews FDI policy on an ongoing basis and makes significant changes from time to time, to ensure that India remains an attractive & Investor friendly destination.

The measures taken by the Government on FDI policy liberalization along with improvement in ease of doing business climate have resulted in growth of total FDI inflows in the country. FDI inflows in India registered its highest ever annual FDI inflow of US \$ 84.84 billion in the Financial Year 2021-22. Some of the sectors with significant FDI inflow over the years are Computer Software & Hardware, Services Sector, Trading, Construction Activities, Automobile Industry etc.
