

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

**UNSTARRED QUESTION NO. 2339.  
TO BE ANSWERED ON TUESDAY, THE 06<sup>TH</sup> AUGUST, 2024.**

**REQUEST TO BUSINESS COMMUNITY**

**2339. SHRI OMPRAKASH BHUPALSINH ALIAS PAVAN RAJENIMBALKAR:  
SHRI SHRIRANG APPA CHANDU BARNE:  
SHRI ARVIND GANPAT SAWANT:**

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

**वाणिज्य एवं उद्योग मंत्री**

- (a) whether the Government has requested the business community to contribute substantially to make the economy of the country the third largest economy of the world and if so, the details thereof;
- (b) the reaction of the business community thereto alongwith the amount of Foreign Direct Investment (FDI) received during the last five years and the current year;
- (c) whether the Government is moving on a very different path today to strengthen the economy of the country and if so, the details thereof;
- (d) whether there is a need to take immediate steps to check the rising inflation in the country; and
- (e) if so, the steps taken by the Government in this regard alongwith the extent of success achieved in this regard, so far?

**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) & (b):** India is currently the fifth largest economy in the world and aspires to be third largest. The Government has taken a number of initiatives to boost confidence of the business community including increased ease of doing business while creating an ecosystem to enhanced industrialisation and make India globally competitive.

As part of enhanced Ease of Doing Business in the country, systematic and targeted efforts are being made to reduce the number of processes, reduce average time taken, rationalize costs and make it easier to do business in India. Initiatives like simplification of regulations, opening the strategic sectors for the private players and rationalisation of labour laws have boosted confidence of the business sector. Further, direct tax measures such as the

restructuring of the corporate tax rates, reduced tax litigation and removal of tax uncertainties have considerably reduced the compliance burden. Introduction of Insolvency and Bankruptcy Code of India (IBC) in 2016 to resolve insolvency focusing on maximization of value of assets by aiming at reorganization rather than liquidation of the Corporate Debtor. Initiatives like Introduction of SPICe+ and AGILE PRO-S form by Ministry of Corporate Affairs (MCA) and digitization of land records have been top priorities to bring efficiency and transparency.

The reforms taken by Government have resulted in increased Foreign Direct Investment (FDI) inflows in the country. FDI inflows in India stood at US \$ 45.15 billion in 2014-15 and registered its highest ever annual FDI inflow of US \$ 84.84 billion in the financial year 2021-22. Financial year wise details of total FDI inflow reported in the country for last 5 years and the current year is placed at **Annexure**.

- (c): To strengthen the economy several major initiatives have been launched by the Government of India. 'Make in India' is one of the key initiatives which 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.

The activities under the Make in India initiative are also being undertaken by several Central Government Ministries/ Departments and various State Governments. Ministries formulate action plans, programmes, schemes and policies for the sectors being dealt by them, while States also have their own Schemes for attracting investments.

In addition to ongoing schemes of various Departments and Ministries, Government has taken various steps to boost domestic and foreign investments in India. These include the introduction of Goods and Services Tax, reduction in corporate tax, improving ease of doing business, FDI policy reforms, measures for reduction in compliance burden, measures to boost domestic manufacturing through public procurement 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. As of now 755 applications have been approved across the country in 14 sectors out of which 176 applicants are from MSME sector.

Actual investment of Rs. 1.23 lakh crore have been realized till March 2024 across 14 sectors, which has resulted in incremental production/ sales of over Rs. 10.31 lakh crore and exports surpassing Rs 3.5 lakh crore.

**(d) & (e):** Prompt and adequate measures by the Government of India and the Reserve Bank of India (RBI) have led to inflation being largely under control.

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**ANNEXURE**

**ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (b) OF THE LOK SABHA UNSTARRED QUESTION NO. 2339 FOR ANSWER ON 06.08.2024.**

**Table: Financial Year-wise Details of Total FDI Inflow**

Amount (in USD Million)

<b>S. No.</b>	<b>Financial Year (April – March)</b>	<b>Total FDI Inflow</b>
1	2018-19	62,001
2	2019–20	74,391
3	2020-21	81,973
4	2021-22	84,835
5	2022-23	71,355
6	2023-24(P)	70,954

P: Provisional

Source: RBI

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