

**GOVERNMENT OF INDIA
MINISTRY OF SCIENCE AND TECHNOLOGY
DEPARTMENT OF SCIENCE AND TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION No. 2799
ANSWERED ON 05/08/2026**

**FDI IN RESEARCH AND DEVELOPMENT, INNOVATION ECOSYSTEM
AND NATIONAL R&D INSTITUTIONS IN ANDHRA PRADESH**

2799. SHRI MADDILA GURUMOORTHY:

Will the Minister of SCIENCE AND TECHNOLOGY be pleased to state:

- (a) whether the Government has assessed the flow of Foreign Direct Investment (FDI) into Research and Development (R&D) activities in Andhra Pradesh including Tirupati Lok Sabha Constituency during the last three years;**
- (b) if so, the details of FDI received, sector-wise;**
- (c) whether any increase or decline has been observed and if so, the details thereof;**
- (d) whether the Government has taken steps to attract FDI in R&D in sectors such as electronics, semiconductors, biotechnology, space technology and advanced manufacturing and if so, the details thereof;**
- (e) the details of incentives, research infrastructure and institutional support provided;**
- (f) whether any proposals have been received for establishing foreign-funded R&D centres, Centres of Excellence or innovation hubs in Andhra Pradesh including Tirupati and if so, the details thereof; and**
- (g) whether the Government proposes to establish any Government-funded R&D institution, Centre of Excellence or innovation programme in Andhra Pradesh particularly in Tirupati and if so, the details thereof?**

**ANSWER
MINISTER OF STATE (INDEPENDENT CHARGE) OF THE
MINISTRY OF SCIENCE AND TECHNOLOGY AND EARTH SCIENCES
(DR. JITENDRA SINGH)**

(a) to (c): Research and Development (R&D) sector is not specifically listed under the Foreign Direct Investment (FDI) Policy. In the sectors/activities not listed in the para 5.2 (a) of FDI policy, FDI is permitted up to 100% under the automatic route, subject to applicable laws/regulations; security and other conditionalities. Sector wise FDI

equity inflow data reported in the state of Andhra Pradesh during April 2023 to March 2026; and financial year-wise FDI equity inflow data in the state of Andhra Pradesh during April 2020 to March 2026 are mentioned in the Annexure here.

(d) to (e): The Government has taken several steps to attract FDI in R&D in sectors such as electronics, semiconductors, biotechnology, space technology and advanced manufacturing. The Government strives to attract larger FDI by bringing policy reforms, financial incentives, infrastructure development, removing regulatory barriers, streamlining processes, bettering logistics and improving the business environment by enhancing the ease of doing business. These include: Production Linked Incentive (PLI) Schemes across multiple sectors including electronics, advanced manufacturing; Semicon India Programme offering substantial fiscal support for semiconductor fabrication plants (fabs), display fabs, packaging, and design; Propitious policy frameworks such as BioE3, National Manufacturing Policy; and Institutional support through Anusandhan National Research Foundation for bringing higher level of Science, Technology & Innovation; Biotechnology Industry Research Assistance Council for industry connect; Indian National Space Promotion and Authorization Centre to facilitate private sector participation. Institution of Schemes and Missions like National Quantum Mission; National Mission on Interdisciplinary Cyber-Physical Systems; Sophisticated Analytical & Technical Help Institutes, Fund for Improvement of S&T Infrastructure, National Initiative for Developing and Harnessing Innovations etc. created a vibrant and enabling ecosystem to attract more FDI in the country.

(f) The Ministry of Science and Technology has not received any proposals for establishing foreign-funded R&D centres, Centres of Excellence or innovation hubs in Andhra Pradesh including Tirupati.

(g) In Andhra Pradesh, institutions such as IIT Tirupati, IISER Tirupati and other research and higher educational institutions have been receiving support under various national R&D and innovation programmes. At present, no separate proposal is under consideration in the Ministry of Science and Technology for establishment of a new R&D institution, Centre of Excellence or innovation programme exclusively for Andhra Pradesh.

**FINANCIAL YEAR WISE
FDI EQUITY INFLOW
FROM April 2023 TO March 2026
State: Andhra Pradesh**

Sr. No.	Sector	2023- 24	2024-25	2025-26	Cumulative FDI
		Amount (In USD Million)	Amount (In USD Million)	Amount (In USD Million)	Cumulative Amount (In USD Million)
1	2	3	4	5	6
1	METALLURGICAL INDUSTRIES	0.10	11.79	250.67	262.56
2	INDUSTRIAL MACHINERY	-	173.07	10.02	183.10
3	FOOD PROCESSING INDUSTRIES	3.65	1.64	107.30	112.59
4	CEMENT AND GYPSUM PRODUCTS	-	-	99.90	99.90
5	SERVICES SECTOR (Fin., Banking, Insurance, Non Fin/Business, Outsourcing, R&D, Courier, Tech. Testing and Analysis, Other)	29.13	0.06	59.96	89.15
6	AUTOMOBILE INDUSTRY	12.24	8.88	11.08	32.19
7	CHEMICALS (OTHER THAN FERTILIZERS)	-	18.22	8.28	26.50
8	LEATHER, LEATHER GOODS AND PICKERS	14.48	-	6.88	21.36
9	ELECTRICAL EQUIPMENTS	3.47	0.94	16.26	20.67

Sr. No.	Sector	2023- 24	2024-25	2025-26	Cumulative FDI
		Amount (In USD Million)	Amount (In USD Million)	Amount (In USD Million)	Cumulative Amount (In USD Million)
1	2	3	4	5	6
10	MISCELLANEOUS MECHANICAL & ENGINEERING INDUSTRIES	0.43	0.22	15.26	15.91
11	CONSTRUCTION (INFRASTRUCTURE) ACTIVITIES	7.79	4.28	1.62	13.69
12	COMPUTER SOFTWARE & HARDWARE	2.27	3.44	3.94	9.65
13	CERAMICS	5.31	3.65	0.26	9.23
14	AGRICULTURE SERVICES	4.25	0.68	1.66	6.59
15	ELECTRONICS	0.0002	0.0008	5.89	5.89
16	DRUGS & PHARMACEUTICALS	5.08	0.47	0.01	5.56
17	MEDICAL AND SURGICAL APPLIANCES	0.69	0.66	2.58	3.94
18	TEXTILES (INCLUDING DYED,PRINTED)	0.99	0.97	0.96	2.92
19	HOSPITAL & DIAGNOSTIC CENTRES	1.55	0.74	-	2.29
20	NON-CONVENTIONAL ENERGY	-	0.001	1.79	1.79
21	PRIME MOVER (OTHER THAN ELECTRICAL GENERATORS)	0.18	-	1.36	1.54
22	MISCELLANEOUS INDUSTRIES	0.02	1.46	0.01	1.49
23	FERMENTATION INDUSTRIES	-	-	1.18	1.18

Sr. No.	Sector	2023- 24	2024-25	2025-26	Cumulative FDI
		Amount (In USD Million)	Amount (In USD Million)	Amount (In USD Million)	Cumulative Amount (In USD Million)
1	2	3	4	5	6
24	PETROLEUM & NATURAL GAS	-	0.99	0.007	1.00
25	HOTEL & TOURISM	0.49	0.35	0.04	0.88
26	TRADING	0.004	0.32	0.53	0.86
27	POWER	-	-	0.75	0.75
28	RETAIL TRADING	0.01	-	0.36	0.37
29	SEA TRANSPORT	-	0.18	-	0.18
30	CONSULTANCY SERVICES	0.001	0.10	-	0.10
31	TIMBER PRODUCTS	-	0.02	0.02	0.04
32	EDUCATION	-	-	0.009	0.009
33	CONSTRUCTION DEVELOPMENT: Townships, housing, built-up infrastructure and construction development projects	0.001	-	0.001	0.002
34	MINING	0.001	-	0.0006	0.002
35	TELECOMMUNICATIONS	-	0.001	-	0.001
	Total:	92.13	233.14	608.59	933.86

***Total FDI inflow includes equity inflow, equity capital of unincorporated bodies, re-invested earnings, and other capital. Sector/State/Country-wise details are maintained only for equity component of FDI inflow.**

**FINANCIAL YEAR WISE
FDI EQUITY INFLOW
FROM April 2020 TO March 2026
Sector: SERVICES SECTOR (Fin., Banking, Insurance, Non-
Fin/Business, Outsourcing, R&D, Courier, Tech. Testing and Analysis,
Other)
Sub Sector: Research & Development (R&D)
State: Andhra Pradesh**

Sr. No.	Financial Year	FDI Equity Inflow (In USD Million)
1	2	3
1	2020-21	0.43
2	2021-22	0.44
3	2022-23	0.82
4	2023-24	-
5	2024-25	-
6	2025-26	-
	Total	1.69

***Total FDI inflow includes equity inflow, equity capital of unincorporated bodies, re-invested earnings, and other capital. Sector/State/Country-wise details are maintained only for equity component of FDI inflow.**
