

Industrial investment activities

7.7 Stagnation in industrial investment has been a major factor influencing the lower industrial growth in some of the years since mid 1990s. Table 7.4 shows data for industrial investment intentions filed by entrepreneurs and firms with State Governments. The proposed investment had peaked at Rs.1,28,892 crore in Industrial Entrepreneur

Memorandums (IEMs) in 1999, and Rs.29,932 crore through Letter of Intents (LOIs) in 1996. This data shows sluggish investment demand in 2002, with much lower values than those seen during some of the previous year. There has however, been a marginal improvement in the proposed investment through IEMs in 2002 which stood at Rs. 91,291 crore compared with Rs. 91,257 crore in 2001.

Table 7.4 : Industrial investment intentions filed through IEMs and LOIs

Year	IEMs (Industrial Entrepreneur Memorandum)			LOIs (Letters of Intent)		
	Number filed	Proposed investment (Rs. crore)	Proposed employment* (' 000)	Number filed	Proposed investment (Rs. crore)	Proposed employment* (' 000)
1991@	3,084	76,310	769	195	2071	34
1992	4860	1,15,872	923	620	13,994	97
1993	4,456	63,976	703	528	12,845	100
1994	4,664	88,771	829	546	17,937	130
1995	6,502	1,25,509	1,114	355	14,265	91
1996	4,825	73,278	696	522	29,932	181
1997	3,873	52,379	522	321	9,528	96
1998	2,889	57,389	521	145	3,274	27
1999	2,948	1,28,892	477	132	827	17
2000	3,058	72,332	411	203	1,042	31
2001	2,981	91,257	809	117	1,318	14
2002	3,172	91,291	380	89	649	8
Total	47,312	10,37,256	8,154	3,773	1,07,682	826

Note: * Figures are rounded. # January-October @ August-December
Source : SIA (Data Unit), Department of Industrial Policy & Promotion, Ministry of Commerce & Industry.