

Industrial investment

7.11 Buoyant business expectations successfully lifted the investment tempo in the industrial sector. Filing of investment intentions as reflected in the Industrial Entrepreneur Memorandum (IEMs) for the sectors, which had ceased to have a licensing requirement, picked up again from 2003 after near stagnation in the preceding seven years (Table 7.7). During last three years, from January 2003 to December 2005, more than 15,000

IEMs were filed with proposed intention of investment of Rs 739,637 crore and additional employment generation of 2.96 million persons. During this period, 351 industrial licenses/letters of intent were issued with proposed investment of Rs 9650 crore. In the post liberalization period (since August 1991) so far, over 66,600 IEMs/LOIs have been filed with investment intentions amounting to Rs 18,94,202 crore and additional employment potential of 12.0 million.

Year	Industrial Entrepreneurs' Memorandum (IEMs)			Letters of Intent (LOIs)/Direct Industrial Licences (DILs)		
	Number	Proposed Investment (in Rs. Cr.)	Proposed Employment (000's)	Number	Proposed Investment (in Rs. Cr.)	Proposed Employment (000's)
1991\$	3,084	76,310	769	195	2,071	34
1992	4,860	115,872	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	125,509	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	128,892	477	132	827	17
2000	3,058	72,332	411	203	1,042	31
2001	2,981	91,234	809	117	1,318	14
2002	3,172	91,291	380	89	649	8
2003	3,875	118,612	833	116	1,395	14
2004	5,118	267,069	856	100	5,265	21
2005	6,203	353,956	1271	135	2990	23

\$ August to December
Source : Department of Industrial Policy & Promotion (DIPP), M/o Commerce & Industry