

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

**UNSTARRED QUESTION NO. 683.
TO BE ANSWERED ON FRIDAY, THE 08TH DECEMBER, 2023.**

FOREIGN DIRECT INVESTMENT

**683. Dr. Anil Sukhdeorao Bonde:
Dr. Sikander Kumar:**

Will the Minister of Commerce and Industry be pleased to state:

- (a) the details of the steps taken by Government to boost investments and attract more industrial activities;
- (b) the measures implemented by Government to stimulate Foreign Direct Investment (FDI) inflows; and
- (c) the safeguards put in place to mitigate sluggish commercial movement and enhance commercial activities in the States?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI SOM PARKASH)**

- (a): Make in India initiative was launched on September 25, 2014, to facilitate investment, foster innovation, building best in class infrastructure, and making India a hub for manufacturing, design and innovation. The development of a robust manufacturing sector continues to be a key priority of the Indian Government. Since its launch, Make in India initiative has made significant achievements and presently focuses on 27 sectors (**Annexure 1**) under Make in India 2.0. which is implemented across various Ministries/Departments, Central Government and State Governments. 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. Further, keeping in view India's vision of becoming 'Atmanirbhar', PLI Schemes for 14 key sectors (**Annexure 2**) have been announced with an outlay of Rs. 1.97 lakh crore (over US\$26 billion) to enhance India's Manufacturing capabilities and Exports. With the announcement of PLI Schemes, significant creation of production, employment, and economic growth expected over the next 5 years and more.

- (b): To promote Foreign Direct Investment (FDI), the Government has put in place an investor friendly policy, wherein most sectors, except certain strategically important sectors, are open for 100% FDI under the automatic route (without government approval). 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. FDI policy provisions have been progressively liberalized and simplified across various sectors such as Pension, Other Financial Services, Asset reconstruction Companies, Broadcasting, Pharmaceuticals, Single Brand Retail Trading, Construction & Development, Power Exchanges, e-commerce activities, Coal Mining, Contract Manufacturing, Digital Media, Civil Aviation etc. In the recent past, reforms in the FDI Policy have been undertaken in sectors such as Defence, Insurance, Petroleum & Natural Gas and Telecom.
- (c): FDI policy is an enabling policy which is uniformly applicable throughout the country. Besides the efforts made to liberalise FDI Policy, Government has taken a series of policy initiatives to improve the economic situation. These includes Atmanirbhar packages, investment opportunities under National Infrastructure Pipeline (NIP) and National Monetisation Pipeline (NMP), India Industrial Land Bank (IILB), Industrial Park Rating System (IPRS), soft launch of the National Single Window System (NSWS), etc. An institutional mechanism to fast-track investments has been put in place, in the form of Project Development Cells (PDCs) in all concerned Ministries/ Departments of Government of India. All the above initiatives/ schemes are implemented across various Ministries/Departments, Central Government and State Governments. Further, PLI Schemes for 14 Sectors (**Annexure 2**) for core competence and cutting edge technology have been notified by the concerned Ministries/ Departments after approval of the Union Cabinet. These Schemes are in their various stages of implementation. The PLI scheme is expected to have a cascading effect on the country's MSME ecosystem. The anchor units that will be built in every sector are likely to set a new supplier/vendor base in the entire value chain. Most of these ancillary units are expected to be built in the MSME sector.

**ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE RAJYA SABHA
USTARRED QUESTION NO. 683 FOR ANSWER ON 08.12.2023.**

List of 27 Sectors under 'Make in India' programme is as below:

Manufacturing Sectors:

- (i) Aerospace and Defence
- (ii) Automotive and Auto Components
- (iii) Pharmaceuticals and Medical Devices
- (iv) Bio-Technology
- (v) Capital Goods
- (vi) Textile and Apparels
- (vii) Chemicals and Petro chemicals
- (viii) Electronics System Design and Manufacturing (ESDM)
- (ix) Leather & Footwear
- (x) Food Processing
- (xi) Gems and Jewellery
- (xii) Shipping
- (xiii) Railways
- (xiv) Construction
- (xv) New and Renewable Energy

Service Sectors

- (i) Information Technology & Information Technology enabled Services (IT &ITeS)
- (ii) Tourism and Hospitality Services
- (iii) Medical Value Travel
- (iv) Transport and Logistics Services
- (v) Accounting and Finance Services
- (vi) Audio Visual Services
- (vii) Legal Services
- (viii) Communication Services
- (ix) Construction and Related Engineering Services
- (x) Environmental Services
- (xi) Financial Services
- (xii) Education Services

ANNEXURE II

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (c) OF THE RAJYA SABHA USTARRED QUESTION NO. 683 FOR ANSWER ON 08.12.2023.

The 14 key sectors where PLI scheme exists are:

1. Mobile Manufacturing and Specified Electronic Components (Large Scale Electronics Manufacturing),
2. Critical Key Starting Materials/Drug Intermediaries & Active Pharmaceutical Ingredients,
3. Manufacturing of Medical Devices
4. Automobiles and Auto Components,
5. Pharmaceuticals Drugs,
6. Specialty Steel,
7. Telecom & Networking Products,
8. Electronic/ Technology Products (IT Hardware),
9. White Goods (ACs and LEDs),
10. Food Products,
11. Textile Products: MMF segment and technical textiles,
12. High efficiency solar PV modules,
13. Advanced Chemistry Cell (ACC) Battery, and
14. Drones and Drone Components.
