

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

STARRED QUESTION NO. 80.

TO BE ANSWERED ON WEDNESDAY, THE 07TH FEBRUARY, 2024.

PROMOTION OF INVESTMENT AND TRADE

***80. PROF. RITA BAHUGUNA JOSHI:
SHRI UNMESH BHAIYYASAHEB PATIL:**

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

वाणिज्य एवं उद्योग मंत्री

- (a) the details of steps taken by the Government to increase investments and attract more industrial activities;
- (b) the steps taken by the Government to give impetus to FDI inflows;
- (c) the details of safeguards taken to reduce the sluggish commercial movement and increase commercial activities in the States, State-wise;
- (d) the details of export promotion initiatives taken by the Government to increase the export;
- (e) the measures being taken by the Ministry to develop its large domestic market to the optimum level and expand its reach across the world; and
- (f) the details of various ongoing initiatives of the Government for e-Commerce Export Promotion?

ANSWER

**वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)
THE MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)**

(a) to (f): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION
NO. 80 FOR ANSWER ON 07TH FEBRUARY, 2024.**

(a) & (b): Industry is primarily a State subject. The Central Government comes out with several initiatives and policies to increase investments and to promote industrialization in various parts of the country from time to time. Government of India also provides a framework of reforms for improving business environment across all the States.

The Government initiatives are significant to increase investments and promote economic growth besides converting the disruption caused by COVID-19 into an opportunity for growth and investment. These includes Atmanirbhar packages, introduction of Production Linked Incentive (PLI) Scheme in fourteen (14) sectors, 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, State Governments.

In order to give impetus to Foreign Direct Investment (FDI) inflows, 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, PowerExchanges, 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. The total FDI inflows received in the country from FY 2014-15 to 2022-23 is US\$ 596 Billion as compared to US\$ 304 Billion received during FY 2004-05 to FY 2013-14.

(c): To further improve Ease of Doing Business ecosystem in the country, the Government coordinates with Ministries/Departments and States/UTs for initiatives to reduce compliance burden on citizen and business activities. The objective of this exercise is to improve Ease of Doing Business and

Ease of Living by Simplifying, Rationalizing, Digitizing and Decriminalizing Government to Business and Citizen Interface across all the States/UTs. In order to have a continuous evaluation framework, the Government initiated a dynamic reform exercise called Business Reforms Action Plan (BRAP) for assessment of business environment in the States/Union Territories (UTs). Under BRAP, States and UTs are assessed on the basis of implementation of designated reform parameters contained in the Action Plan. BRAP covers both the Business-centric and Citizen-centric reforms spread across various reform areas. Some of the reform areas are Investment Enablers, Access to Information and Transparency, Online Single Window System, Land Allotment, Construction Permits Enablers, Labour Regulation Enablers, Environment Registration Enablers, Inspection Enablers, Obtaining Utility Permits, Contract Enforcement, Citizen-centric Certificates, Public Distribution System, Healthcare, etc.

(d): The Government encourages Indian exporters to participate in the exhibitions and provides grant-in-aid under Market Access Initiative (MAI) schemes, wherein, regular bilateral institutional mechanism meetings are held with the Export Promotion Councils (EPCs) and Indian Missions abroad to explore new opportunities, identify and resolve trade issues thereby increasing Indian exports.

(e): One of the measures taken up by the Ministry to develop domestic manufacturing and markets and keeping in view India's vision of becoming 'Atmanirbhar', Production Linked Incentive (PLI) Schemes for 14 key sectors have been announced with an outlay of Rs. 1.97 lakh crore (over US\$26 billion) to enhance India's Manufacturing capabilities and Exports.

The 14 sectors are: (i) Mobile Manufacturing and Specified Electronic Components, (ii) Critical Key Starting Materials/Drug Intermediaries & Active Pharmaceutical Ingredients, (iii) Manufacturing of Medical Devices (iv) Automobiles and Auto Components, (v) Pharmaceuticals Drugs, (vi) Specialty Steel, (vii) Telecom & Networking Products, (viii) Electronic/Technology Products, (ix) White Goods (ACs and LEDs), (x) Food Products, (xi) Textile Products: MMF segment and technical textiles, (xii) High efficiency solar PV modules, (xiii) Advanced Chemistry Cell (ACC) Battery, and (xiv) Drones and Drone Components. The purpose of the PLI Schemes is to attract investments in key sectors and cutting-edge technology; ensure efficiency and bring economies of size and scale in the manufacturing sector and make Indian companies and manufacturers globally competitive.

These schemes have the potential of significantly boosting production, employment, increase manufacturing activities and contribute to economic growth over the next five years or so thereby having potential to change the manufacturing ecosystem in the country and has already started to reach across the world.

(f): A chapter has been introduced in the new Foreign Trade Policy (FTP) 2023 for promoting Cross border trade in the digital economy. FTP 2023 has a stated objective to enable cross-border E-Commerce for artisans, weavers, craftsmen, and MSMEs. Key focus is on raising awareness, enhancing skills, and sharing knowledge with exporters and entrepreneurs.

The Government has notified Monthly workshops on Cross-border E-Commerce to cover aspects related to cross-border logistics, Postal and Customs compliances and cross-border payment mechanisms. E-Commerce Exports Handbook for MSMEs and new Export Entrepreneurs navigating the E-Commerce Export landscape launched in English, Hindi, Gujarati, and Kannada. Government works with the Regional Postal Offices and MSME Development and Facilitation Offices (MSME-DFOs) to facilitate new entrepreneurs for promoting E-Commerce Exports.
