

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

**UNSTARRED QUESTION NO. 1952.  
TO BE ANSWERED ON TUESDAY, THE 11<sup>TH</sup> MARCH, 2025.**

**INFLOW OF FDI**

**1952. SMT. MANJU SHARMA:**

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

**वाणिज्य एवं उद्योग मंत्री**

- (a) the details of the steps taken by the Government to increase investment and attract more industrial activities;
- (b) the steps taken by the Government to encourage inflow of Foreign Direct Investment (FDI);
- (c) the details of safeguard taken to accelerate and boost the slow pace of commercial activities in the States, State-wise; and
- (d) the details of export promotion initiatives taken by the Government to boost exports?

**ANSWER**

**वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)**

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY  
(SHRI JITIN PRASADA)**

- (a) to (c):** The Government has taken several steps to boost investments and attract more industrial activities in the country. The Government of India, through the Department for Promotion of Industry and Internal Trade (DPIIT) and other Central Ministries/ Departments, provides an enabling eco-system for the overall industrial development of the country through appropriate policy interventions. In addition to on-going schemes of other Ministries/ Departments, this Department has taken various steps for promotion and facilitation of industries across States/UTs, such as Make in India, Start-up India, PM GatiShakti, National Industrial Corridor Programme, Production Linked Incentive (PLI) Scheme, promoting Ease of Doing Business (EoDB) and reducing compliance burden, National Single Window System (NSWS), India Industrial Land Bank, Project Monitoring Group (PMG), liberalization of FDI policy, Production Linked Incentive (PLI) Schemes, Indian Footwear and Leather Development Programme (IFLDP) Scheme, 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 the Government of India. Subsequently the Cabinet Committee on Economic Affairs recently has approved 12 new project proposals under the National

Industrial Corridor Development Programme (NICDP) with an estimated investment of Rs. 28,602 crores. Spanning across 10 states and strategically planned along 6 major corridors, these projects represent a significant leap forward in India's quest to enhance its manufacturing capabilities and economic growth.

In addition, the Government has implemented various measures to stimulate 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. More than 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. For instance, the Union Budget 2025 announced for the further increase of FDI sectoral cap for the insurance sector from 74% to 100%. This enhanced limit will be available for those companies, which invest the entire premium in India. The Government always strives to attract more FDI by removing regulatory barriers, streamlining processes, developing infrastructure, bettering logistics and improving the business environment by enhancing the Ease of Doing Business (EoDB).

- (d): India's export ecosystem has become resilient and deeply integrated into the global economy which is strengthened by strategic policy measures, enhanced competitiveness, and broader market access. In order to promote exports, the Government of India has undertaken several initiatives including Assistance provided through several schemes to promote exports, namely, Trade Infrastructure for Export Scheme (TIES) and Market Access Initiatives (MAI) Scheme. Further, the government has introduced the Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme aimed at refunding various embedded taxes and duties on exported products. Under RoDTEP scheme, anomalies in 432 tariff lines have been addressed and the corrected rates have been implemented with effect from 16.01.2023. Additionally, the Districts as Export Hubs initiative launched by the Government has helped to identify products with export potential in each district, addressing bottlenecks for exporting these products and supporting local exporters/manufacturers to generate employment in the districts. The Government recently launched the Trade Connect ePlatform on 11 September 2024, this serves as an information and intermediation platform on international trade bringing together Indian Missions Abroad and officials from the Department of Commerce and other organizations to provide comprehensive services for both new and existing exporters. Other sector-specific initiatives are placed in the **Annexure**. By providing support to crucial export sectors, the government aims to not only enhance their competitiveness but also create employment opportunities and contribute to overall economic growth, aligning with the vision of building an Aatmanirbhar Bharat.

**ANNEXURE REFERRED TO IN REPLY TO PART (d) OF THE LOK SABHA UNSTARRED QUESTION NO. 1952 FOR ANSWER ON 11.03.2025.**

Some of the sector-specific initiatives for promoting exports include :

1. The Diamond Imprest Authorization (DIA) Scheme was introduced by the Government of India on 21st of January 2025, aiming to enhance the global competitiveness of India's diamond sector. This scheme provides a streamlined mechanism for duty-free import of Natural Cut and Polished Diamonds up to 25 cents (1/4 carat), thereby promoting value addition and boosting exports. The Scheme will be implemented with effect from 01.04.2025.
2. The Rebate of State and Central Levies and Taxes (RoSCTL) Scheme aims to promote labour-oriented certain items of textiles sector export and has been implemented since 07.03.2019.
3. In order to promote exports of value-added products, the Government notified Import duty exemption for the import of wet blue chrome tanned leather and notified inputs for leather garments, leather products and footwear exporters, under Import of Goods under Concessional Rates of Duty (IGCR) Scheme in Union Budget 2022-23. More leathers namely wet white leather, crust leather and finished leather and more inputs were notified under the aforesaid IGCR scheme in the Union Budget 2024-25.
4. In the Union Budget announcement 2025-26, the Export duty on crust leather (hides and skins) has been fully exempted (from 20% to 0%) to facilitate exports by small tanners. The Basic Customs Duty (BCD) on Wet Blue leather has also been fully exempted (from 10% to 0%) to facilitate imports for domestic value addition and employment. The cheaper imports will allow Indian companies to become cost-competitive and help in gearing the industry for achieving the envisaged export targets.
5. Under the Export Promotion Capital Goods Scheme (EPCG) of Foreign Trade Policy, Customs duty exemption is provided for the import of capital goods for pre-production, production and post-production, subject to fulfilment of export obligation. Capital goods imported under EPCG Authorisation for physical exports are also exempted from IGST and Compensation Cess.

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