

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

**UNSTARRED QUESTION NO. 3781.  
TO BE ANSWERED ON TUESDAY, THE 12<sup>TH</sup> AUGUST, 2025.**

**BOOSTING INVESTMENT**

**3781. SMT. MANJU SHARMA:**

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

**वाणिज्य एवं उद्योग मंत्री**

- (a) the details of steps taken by the States to boost investment as well as induce more industrial activities;
- (b) the details of the protective measures taken to address the slowdown related to commerce;
- (c) whether Micro, Small and Medium Enterprises (MSMEs) play a very important role in increasing the level of employment;
- (d) if so, the details thereof; and
- (e) the steps taken/likely to be taken to promote commercial activities across the States?

**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 (e):** 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 ecosystem for the overall industrial development of the country through appropriate policy interventions.

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, Business Reform Action Plan (BRAP), 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) Schemes are some of the major initiatives that have been undertaken to boost industrial growth in the country. All the above initiatives/schemes are implemented across various Ministries/Departments, Central Government and State Governments. An

India- European Free Trade Association (EFTA) Desk has been set up which will provide structured support to EFTA businesses looking to invest, expand, or establish operations in India. The desk drives investment in renewable energy, life sciences, engineering, and digital transformation.

Government of India is developing various Industrial Corridor Projects as part of National Industrial Corridor Development Programme (NICDP) which is aimed at development of greenfield industrial areas/region/nodes in India which can compete with the best manufacturing and investment destinations in the world. The Government of India has approved 12 new industrial smart city projects in August 2024 with a total project cost of Rs. 28,602 crores (including land cost) for development of trunk infrastructure packages. As per the approved institutional & financial framework of Industrial Corridor Programme, State Govt. provides land and Government of India through National Industrial Corridor Development and Implementation Trust (NICDIT) provides the equity for development of internal trunk infrastructure components.

India's total exports- comprising both merchandise and services- reached a historic high of USD 824.9 billion in 2024–25 reflecting a 6.02% increase over the previous fiscal year. Services exports were the driving force, achieving a record- breaking USD 387.5 billion with an impressive 13.6 % increase over the previous fiscal year. Notably, non-petroleum merchandise exports stood at USD 374.1 billion in 2024-25 registering highest ever non-petroleum annual export, marking a healthy 6.0% growth over previous fiscal year.

Keeping in view India's vision of becoming 'Aatmanirbhar' and to enhance India's manufacturing capabilities and exports, Production Linked Incentive (PLI) schemes have been launched for 14 key sectors with an outlay of Rs. 1.97 lakh crore. These schemes have the potential of significantly boosting production, increasing manufacturing output and contributing to employment and faster economic growth in future. The purpose of 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.

The impact of PLI Schemes has been significant across various sectors in India. These schemes have incentivized domestic manufacturing, leading to increased production, job creation and a boost in exports. Actual investment of Rs. 1.76 lakh crore have been realized till March 2025 across 14 sectors, which has resulted in incremental production/sales of over Rs. 16.5 lakh crore and employment generation of over 12 lakhs (direct and indirect). PLI Schemes have transformed India's exports basket from traditional commodities to high value-added products such as electronics & telecommunication goods, processed food products etc. PLI Schemes have witnessed exports surpassing Rs. 6 lakh crore, with significant contributions from sectors such as Large-Scale

Electronics Manufacturing, Pharmaceuticals, Food Processing, and Telecom & Networking products.

The pharmaceuticals sector has witnessed cumulative sales of Rs. 2.66 lakh crore which includes exports of Rs. 1.70 lakh crore achieved in the first three years of the scheme. The scheme has contributed to India becoming a net exporter of bulk drugs (2280 cr.) from net importer (-1930 cr.) as was the case in FY 2021-22. It has also resulted in significant reduction in gap between the domestic manufacturing capacity and demand of critical drugs.

Under the PLI Scheme for medical devices, 21 projects have started manufacturing of 54 unique medical devices, which include high end devices such as Linear Accelerator (LINAC), MRI, CT-Scan, Heart Valve, Stent, Dialyzer Machine, C-Arm, Cath Lab, Mammograph, MRI Coils, etc. These High-end medical devices were imported earlier and are now being manufacture in India. The production of mobiles in value terms has increased by around 146% from INR 2,13,773 Cr in 2020-21 to INR 5,25,000 crore in 2024-25 as per industry association and DGCIS. During the same period, exports of mobile phones in value terms has increased by around 775% from INR 22,870 crore in 2020-21 to INR 2,00,000 crore in 2024-25.

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. These efforts are complemented by continuous reforms aimed at simplifying processes, improving logistics, and strengthening the Ease of Doing Business (EoDB) to make India a more attractive investment destination.

The Department for Promotion of Industry and Internal Trade (DPIIT) plays a crucial role in enhancing the business environment in India through various initiatives aimed at simplifying and streamlining business regulations including the Business Reform Action Plan (BRAP), the B-Ready assessment, Jan Vishwas and Reducing Compliance Burden on Businesses and Citizens and measurement of Cost of Regulation. The BRAP initiative launched by DPIIT in 2014, aims to streamline clearance and regulatory processes, making them more transparent and efficient. Its goal is to minimize obstacles and reduce the time and cost of doing business. States are evaluated based on documentary evidence and user feedback, ensuring that the reforms have real impact at the grassroots level. To enhance Ease of Living and Ease of Doing Business, the Central Government, through the Jan Vishwas (Amendment of Provisions) Act,

2023, has decriminalized 183 provisions across 42 Central Acts administered by 19 Ministries/Departments. To further improve ease of doing business and ease of living, DPIIT has undertaken an analysis of various criminal provisions (including both major and minor offences) across multiple acts under the Jan Vishwas 2.0 initiative.

Various initiatives have been undertaken to promote employment generation and support the growth of the Micro, Small, and Medium Enterprises (MSME) sector such as:-

- i. **Prime Minister's Employment Generation Programme (PMEGP):** PMEGP is a flagship credit-linked subsidy programme for assisting entrepreneurs in setting up of new micro units in the non-farm sector. It aims to provide employment opportunities to traditional artisans/ rural and urban unemployed youth at their doorstep.
- ii. **The Credit Guarantee Scheme for Micro and Small Enterprises:** This scheme is being implemented through the Credit Guarantee Trust Fund for Micro and Small Enterprises to provide credit guarantees for loans extended by the Member Lending Institutions (MLIs) to Micro and Small Enterprises (MSEs).
- iii. **Employment Linked Incentive (ELI) Scheme:** The ELI Scheme has been approved to support employment generation and enhance employability across all sectors including MSME sector.
- iv. **Self Reliant India (SRI):** The Government of India has announced Fund of Funds to infuse Rs. 50,000 crore as equity funding in those MSMEs which have the potential and viability to grow and become large units. This initiative is aimed at providing growth capital to the deserving and eligible units of MSME sector.

Additionally, the Government is running various other flagship schemes aimed at employment generation across sectors, including Pradhan Mantri Mudra Yojana (PMMY), Deendayal Antyodaya Yojana — National Rural Livelihoods Mission (DAY- NRLM), Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), Deendayal Antyodaya Yojana — National Urban Livelihoods Mission (DAY-NULM), and the Pradhan Mantri Kaushal Vikas Yojana (PMKVY), all of which also support employment within the MSME sector.

\*\*\*\*\*