GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 15
ANSWERED ON MONDAY,
JULY 20, 2026

Measures to facilitate Corporate Capability Building

15. Dr. Gumma Thanuja Rani:

Will the Minister of Corporate Affairs be pleased to state:

(a) whether Government is aware that India's merchandise exports have maintained relatively stable levels between FY 2024-25 and 2025-26 at approximately USD 437.7 billion, but economic complexity analysis shows India ranks 44th out of 145 countries on the Economic Complexity Index;

(b) if so, the measures undertaken to facilitate corporate capability building, research and development and innovation in Indian firms to enable them to produce and export more complex products;

(c) the Central support mechanisms available to facilitate strategic mergers and acquisitions by Indian companies seeking to establish global footholds, acquire technology and integrate vertically into international value chains; and

(d) the details of Central initiatives to strengthen India's innovation and research ecosystem?

ANSWER

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS AND MINISTRY OF ROAD TRANSPORT AND HIGHWAYS.

(SHRI HARSH MALHOTRA)

****

(a). As per inputs received from Department of Commerce, among the fast-growing major economies, India has successfully navigated a period of significant global uncertainty characterized by geopolitical tensions, supply chain disruptions, trade fragmentation, high inflation and volatile commodity markets. Notwithstanding these challenges, India's trade sector has registered highest annual export in FY2025-26 at US$ 863.1 billion. Merchandise exports increased from USD 310 billion in FY 2014-15 to USD 441.8 billion in FY 2025-26. The quality and complexity of India's exports have also improved over time. As

per the Observatory of Economic Complexity (OEC), India's ranking on the Economic Complexity Index (ECI) improved from 43rd in 2019 to 39th in 2024. The improvement reflects the improved diversity of India's export basket and greater participation in technology-intensive export.

(b) & (d). The Central Government launched Research Development and Innovation (RDI) Scheme to boost private-sector-led R&D by providing long-term, low- or nil-interest financing and risk/growth capital targeting strategic technologies such as AI, robotics, quantum, space, biotech, biomanufacturing and digital-economy applications. This complements earlier measures including the Anusandhan National Research Foundation (ANRF Act, 2023), National Quantum Mission, National Mission on Semiconductors, Deep Ocean, Green Hydrogen, India AI and enabling policies such as Geospatial Policy 2022, Space Policy 2023 etc to strengthen India's innovation.

MCA administers the Companies Act 2013 and under Schedule VII of the Companies Act, 2013, MCA enables companies to utilize CSR funds towards contribution to incubators or research and development projects in the field of Science, Technology, Engineering and Medicine (STEM), funded by the Central Government or State Government or PSU or any agency of the Central Government or State Government. CSR contributions to public funded universities such as IITs, National Laboratories, autonomous bodies established by Department of Atomic Energy, Department of Science and Technology, MEITY, ICMR, CSIR engaged in conducting research in STEM can be made by companies and these contributions help address critical research and innovation ecosystem gaps.

(c). The Fast Track Merger route introduced under Section 233 of the Companies Act, 2013 allows certain classes of companies to get the merger and amalgamation schemes approved by Regional Director ('RD') instead of National Company Law Tribunal ('NCLT') in a time bound manner.

MCA has amended Rule 25A of the Companies (Compromises, Arrangements, and Amalgamations) Rules to allow cross-border mergers under the Section 233 Fast-Track route. Eligible companies no longer need to approach the NCLT.

Instead, the scheme is approved directly by the Office of Regional Directorates (RD) of the MCA. Foreign holding/parent companies can merge directly into their wholly owned Indian subsidiaries (WOS) through the streamlined fast-track framework. This serves as an important regulatory enabler for start-ups and conglomerates looking to "reverse flip" back to India.

Department of Economic Affairs notified the Direct Listing of Equity Shares of Companies Incorporated in India on International Exchanges Scheme on 24th January, 2024 under the provisions of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, with the objective of enabling public companies incorporated in India to access global capital markets through the direct listing of their equity shares on designated international stock exchanges in permissible jurisdictions. Simultaneously, Ministry of Corporate Affairs (MCA) issued Companies (Listing of Equity Shares in Permissible Jurisdictions) Rules, 2024. As of now, the framework allows unlisted public Indian companies to list their shares on an international exchange with flexibility to access both markets i.e. domestic market for raising capital in INR and the international market at IFSC for raising capital in foreign currency from the global investors. This initiative will particularly benefit Indian companies going global and having ambitions to look at opportunities for expanding their presence in other markets.

****