

and machinery with an upper limit of ₹ 5 crore), (ii) Central Interest Incentive (3% interest on working capital for 5 years), (iii) Central Comprehensive Insurance Incentive (Reimbursement of 100% insurance premium for 5 years), (iv) Income Tax Reimbursement of Centre's share for 5 years, (v) GST reimbursement of Central Govt. share of CGST & IGST for 5 years, (vi) Employment Incentive under which additional 3.67% of the employer's contribution to EPF in addition to Govt. bearing 8.33% Employee Pension Scheme (EPS) contribution of the employer in PMRPY and (vii) Transport incentive on finished goods movement by Railways (20% cost of the transportation), by Inland Waterways Authority (20% of the cost of transportation) and by air (33% of cost transportation of air freight) from the station/port/airport nearest to unit to the station/port/airport nearest to the destination point.

Also, under this scheme a single unit can avail overall benefits up to ₹ 200 crore.

Besides the above, following steps have also been undertaken by UT of Jammu and Kashmir to spur investment:

- (i) Ease of Doing Business has been strengthened.
- (ii) Land Bank for new investments has been identified.
- (iii) 14 Focus Sectors for investment have been identified and policies in all these sectors have been drafted.

The Government of India is fully committed to the overall development and several steps, including preparation of a new Industrial policy, are being taken to boost trade, industry, investment and employment in the Union Territory of Jammu and Kashmir.

Further, schemes/projects under Prime Minister's Development Package are under various stages of implementation. This package comprises of 63 major development projects in Road, Power, Health, Tourism, Agriculture, Horticulture and Skill Development sectors.

(b) Post abolition of Article 370, 160 units have been formally registered in various District Industries Centres with Total investment amounting to ₹ 187.28 crore. Further 493 units have also been registered provisionally with an investment of ₹ 836.82 crore.

Promotion of domestic investors and increasing the domestic export basket

2284. SHRI SAMBHAJI CHHATRAPATI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether Government has any plan to give a serious push to domestic investors to boost-up manufacturing sector and reduce dependence on import;
- (b) if so, the details thereof;
- (c) whether Government has any plan to give some incentives to the domestic investors to put in money in the manufacturing sector; and
- (d) the major areas identified under manufacturing sector to increase export basket of the country for giving a major push?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI PIYUSH GOYAL): (a) to (d) The Government has undertaken a number of recent measures to incentivise and boost the manufacturing sector in India, promote exports and reduce dependence on imports:

- (i) 'Make in India' initiative has been reviewed and is now focussing on 27 sectors. Department for Promotion of Industry and Internal Trade is coordinating action plans for 15 manufacturing sectors while Department of Commerce is coordinating 12 service sectors. The list of 27 sectors is given in the Statement (*See* below).
- (ii) The Budget 2020-21 announced a new scheme to encourage electronics manufacturing in India, comprising manufacturing of mobile phones, semi-conductor packaging, electronic equipment. A new scheme called "National Technical Textile Mission" has also been proposed to cut down imports and for setting up manufacturing units of technical textiles at a cost of ₹ 1,480 crore over four years.
- (iii) In order to achieve higher export credit disbursement, a new scheme is being planned, which provides for higher insurance coverage, reduction in premium for small exporters and simplified procedure for claim settlements. Further, it has been proposed to digitally refund to exporters, duties and taxes levied at the Central, State and local levels, such as electricity duties and VAT on

fuel used for transportation, which are not getting exempted or refunded under any other existing mechanism.

- (iv) A new provision has been inserted in the Income-tax Act with effect from FY 2019-20 which allows any domestic company an option to pay income-tax at the rate of 22 per cent subject to condition that they will not avail any tax exemption/incentive. For new manufacturing companies incorporated on or after 01.10.2019, the corporate tax rate was brought down to 15 per cent. In the Budget 2020-21, this reduction of corporate tax rate for new manufacturing companies was also extended to new power generation companies.
- (v) In order to promote domestic manufacturing and curb imports, Basic Customs Duties (BCD) has been increased on footwear, toys and furniture; modification of Customs Act for strict enforcement of Rules of Origin norms for sensitive imports has been proposed; provisions for safeguard duties and anti-dumping duty to be strengthened.
- (vi) The Government has taken a number of Foreign Direct Investment (FDI) policy reforms, including opening new sectors for FDI, increasing the sectoral limit of existing sectors and simplifying other conditions of the FDI policy. These policy reforms are meant to provide ease of doing business and accelerate the pace of foreign investment in the country.
- (vii) The National Infrastructure Pipeline (NIP) was also launched in December, 2019, with estimated expenditure of ₹ 102 lakh crore in infrastructure sectors in India during the years 2020 to 2025, which will also boost manufacturing and job creation.

Statement

List of 27 Sectors under 'Make in India' initiative

- (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 and Footwear
- (x) Food Processing
- (xi) Gems and Jewellery
- (xii) Shipping
- (xiii) Railways
- (xiv) Construction
- (xv) New and Renewable Energy
- (xvi) Information Technology and Information Technology enabled Services (IT &ITeS)
- (xvii) Tourism and Hospitality Services
- (xviii) Medical Value Travel
- (xix) Transport and Logistics Services
- (xx) Accounting and Finance Services
- (xxi) Audio Visual Services
- (xxii) Legal Services
- (xxiii) Communication Services
- (xxiv) Construction and Related Engineering Services
- (xxv) Environmental Services
- (xxvi) Financial Services
- (xxvii) Education Services