Government of India

Ministry of Commerce & Industry

Department for Promotion of Industry and Internal Trade

FDI Policy Cell

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Press Note No. 3 (2026 Series)

Subject: Review of Foreign Direct Investment (FDI) policy on E-commerce Sector.

As per the Consolidated FDI Policy Circular of 2020 dated 15.10.2020, as amended from time to time (FDI Policy), FDI is permitted in Business to Business (B2B) e-commerce and marketplace model of e-commerce. However, FDI is not permitted in Business to Consumer (B2C) e-commerce and inventory-based model of e-commerce where inventory of goods and services is owned by e-commerce entity and is sold to the consumers directly. In order to facilitate greater exports through easier and increased access of global markets by Indian sellers, the extant FDI Policy has been reviewed and it is decided that the restrictions on inventory-based model of e-commerce shall not apply in case of exports of domestically manufactured and/or produced goods/products.

2. In this context, a new Para under Para 5.2.15.2 is proposed to be inserted under the FDI Policy as under:

"PARA 5.2.15.2.5 INVENTORY-BASED MODEL OF E-COMMERCE EXCLUSIVELY FOR EXPORTS:

(i) An e-commerce entity is permitted to engage in inventory-based model of e-commerce exclusively for the export of goods/products manufactured and/or produced in India as per the applicable provisions of the Foreign Trade Policy 2023 read with the Handbook of Procedures (HBP) and the Foreign Exchange Management (Export of Goods & Services) Regulations, 2015, as amended from time to time.

(ii) The restrictions on B2C and the inventory-based model of e-commerce stipulated under the provisions of Para 5.2.15.2.1 to Para 5.2.15.2.4 above, shall not apply to the export of goods/products through e-commerce as permitted under Para 5.2.15.2.5(i) above."

3. The above decision will take effect from the date of FEMA notification.

23/07/2026

(Dr. Jai Prakash Shivahare)

Joint Secretary to the Government of India

DPIIT F. No. P-15015/9/2025-FDI Policy dated 23.07.2026

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1. **Press Information Officer**, Press Information Bureau- for giving wide publicity to the above Press Note.
2. **Joint Secretary**, Department of Economic Affairs, North Block, New Delhi For suitably incorporating the policy changes in Foreign Exchange Management (Non-Debt Instruments) Rules,2019, the relevant schedules thereof and FIRMS portal
3. **Reserve Bank of India**, Foreign Exchange Department, Mumbai - - For suitably incorporating the policy changes in Foreign Exchange Management (Non-Debt Instruments) Rules,2019, the relevant schedules thereof and FIRMS portal.
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