

to all Service Providers including Hotels on the basis of earning of foreign exchange as per the table given below:

TABLE

Category	Average foreign exchange earning during the preceding three years, in Rupees	Free exchange earning during the preceding licensing year, in Rupees	Average free foreign exchange earning during the preceding three years, in Rupees	net foreign exchange made during the preceding licensing year, in Rupees
(1)	(2),	(3)	(4)	(5)
Service Export House	4 crores	6 crores	3 crores	5 crores
International Service Export House	20 crores	30 crores	15 crores	25 crores
International Star Service Export House	100 crores	150 crores	75 crores	125 crores
International Super Star Service Export House	300 crores	450 crores	225 crores	375 crores

#### Declaring DPCL Under KVSS

129. SHRI SANTOSH BAGRODIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is fact that Indian Petro Chemical Corporation Ltd. (IPCL), a public sector unit has also declared under K.V.S.S. Excise duty; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR): (a) Yes, Sir.

(b) A unit of IPCL at Nagothane in District Raigad, Maharashtra,

[30 November, 1999]

RAJYA SABHA

filed ten declarations relating to the disputes due to wrong availment of MODVAT, involving an amount of Rs. 23,38,074 towards Central Excise duty and Rs. 2,80,000 towards penalty. An amount of Rs. 11,69,037 was paid by M/s IPCL towards full and final settlement of the arrears under the KVSS in these ten cases.

**Simplification of Procedure for Foreign Capital Investment**

†130. SHRI KAPIL SIBAL:

SHRI BARJINDER SINGH HAMDARD:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Government have recently simplified the procedure regarding foreign capital investment;
- (b) if so, the details thereof;
- (c) whether it is also a fact that the said facilities regarding foreign capital investment in certain sectors are not available; and
- (d) if so, the names of such sectors in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) In furtherance of the ongoing liberalisation efforts, Government has taken initiatives to boost inflow of Foreign Direct Investment (FDI) like conveying decision on all FIPB proposals within 30 days, allowing 100% foreign equity in construction & maintenance of roads, highways, vehicular tunnels, ports & harbour subject to certain minimum conditions. Prior approval of RBI for FDI proposals under the automatic as well as FIPB route have been dispensed with.

Foreign Investment Implementation Authority has been constituted which oversees the implementation of FIPB approvals.

Certain initiatives to attract portfolio investments from FIIs have recently been taken which include simplification in registration requirements of sub-accounts and permissions for tendering securities directly in terms of takeovers, for trading in derivative contracts and for hedging foreign exchange risk through purchase of forward cover on incremental equity investments. The 100% Debt Fund FIIs have

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†Original notice of the question received in Hindi.