

(FDI) guidelines following increasing risk of terror funds being parked in the country and other investments being fraught with security implications;

(b) if so, the details thereof;

(c) whether Government is aware of foreign participation in sensitive sectors is posing economic threat; and

(d) if so, the time by when complete review of FDI guidelines is to be made and implemented?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA): (a) to (d) The policy on Foreign Direct Investment (FDI) is incorporated in the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, notified under the Foreign Exchange Management Act (FEMA), 1999. FEMA indicates the countries from where investment is not permitted. As per Section 5(1) of the FEMA Regulations, 2000 a person resident outside India or an entity incorporated outside India, other than a citizen or an entity in Pakistan may purchase shares or convertible debentures of an Indian company under FDI scheme. FDI coming from Bangladesh is required to follow the approval route. Section 13 of the Act provides for imposition of penalty, after adjudication, for contravention of the provisions of the Act or Rules/Regulations. Further, any company established in the country has to follow the relevant rules and regulations and is subject to the provisions of relevant Acts, including the Prevention of Money Laundering Act.

Government has put in place a simple and investor friendly policy on Foreign Direct Investment (FDI). The policy on FDI is reviewed on a continuing basis through an inter-ministerial consultation process, with a view to rationalizing/simplification of the policy and taking into account stakeholders concerns. All concerns of National security are being constantly addressed to by the Government suitably.

Donation by STC and MMTC to student wings of political parties

2931. SHRIMATI KUSUM RAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to refer to answer to Starred Question 97 given in the Rajya Sabha on 25 November, 2009 and state:

(a) whether student wings of any other political parties except NSUI has been donated by PSUs like STC and MMTC;

(b) if so, the details thereof; and

(c) if not, why only NSUI, the student wing of ruling party Indian National Congress was given donations?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA): (a) to (c) MMTC has contributed to certain student related bodies such as Faculty of Management Studies Alumni Association, Amity International Business School, Department of Management Studies —

IIT Delhi, St. Joseph School, ICWAI National Convention, Akshay Chhibber Memorial Tournament and NSUI. Similarly, STC has contributed to Institute of Economic Studies, Sri Venkateswara College, IIFT Symposium, Delhi School of Economics, Institute of Marketing and Management, Department of Management Studies — IIT Delhi, Department of Commerce — Delhi University and Delhi University Students Union (DUSU) and NSUI.

Envisaged export earning targets

2932. SHRI GIREESH KUMAR SANGHI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the envisaged export earning targets for the fiscal year, 2008-09;
- (b) whether corresponding targets were achieved during the first and second quarters of 2008-09; and
- (c) if not, will further efforts be made to motivate exporters for identifying new items of exports and simultaneously expanding their areas of operations, keeping in view the revival from slowdown recessionary trends?

The MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA): (a) to (c) During the announcement of Annual Supplement of the Foreign Trade Policy, 2008-09 on 11.4.2008, Government envisaged merchandise export target of US \$ 200 Billion for the year 2008-09, which was revised to US \$ 175 Billion in the wake of Global economic slowdown. The achievement was about US \$ 185 Billion. The Government and RBI closely monitor the economic developments in the country and internationally on a continuous basis, and need based measures are taken, from time to time, keeping in view the financial and overall economic implications. To arrest the decline in exports, the Government/RBI announced stimulus packages, including the announcements made in the Budget 2009-10, and in the Foreign Trade Policy (FTP) 2009-14 to provide support.

Development of backward regions

2933. SHRI RAJEEV CHANDRASEKHAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether Government has recently conducted any survey/study of the industrially backward regions in the country;
- (b) if so, the details thereof, State-wise;
- (c) if not, the reasons therefor; and
- (d) the steps taken/proposed to be taken by Government for the development of backward regions in the country?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA): (a) to (c) The Government of India had set up a study group in 1993 to identify the industrially backward districts to provide fiscal support. Based on the recommendations of the study group, the