

being made to diversify the trade basket with emphasis on manufactured goods. We are also pursuing market access issues to tackle non-tariff barriers in the Chinese market at different fora. At the Ministerial level, we have India-China Joint Group on Economic Relations, Trade Science and Technology (JEG) where trade related issues are taken regularly. Indian exporters are encouraged to participate in major trade fairs in China to show-case Indian products in the Chinese market and increase engagement with Chinese companies. Participation of Indian exporters in trade fairs educates the Chinese importers about niche Indian products. Business to Business relations are encouraged through schemes such as Market Access Initiative (MAI)/Market Development Assistance (MDA).

(b) No, Sir.

(c) Does not arise.

Diversification of export destinations

159. SHRI N.K. SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) what percentage of India's exports is going to dollar dominated countries;

(b) what steps are being taken for diversification of export destinations;

(c) what is the commodity composition of India's exports; and

(d) what steps are being taken to diversifying the composition basket?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) As per Foreign Trade Policy all export contracts and invoices can be denominated either in freely convertible currency or Indian rupees but export proceeds has to be realised in freely convertible currency. Export proceeds in Indian rupees are only allowed from member country of ACU or Nepal or Bhutan.

(b) Focus Marker Scheme (FMS) aims for diversification of markets covering 112 markets. Further, 41 existing markets have been given additional 1 % duty credit scrip *w.e.f.* 1.4.2011. With the objective to promote exports of products of high export intensity but which have a low penetration in identified countries Market Linked Focus Product Scheme (MLFPS) has been introduced.

(c) The commodity-wise detail of exports is given in the DGCI&S publication in CD form namely "Monthly Statistics of Foreign Trade of India" Volume-I. Such publication is regularly sent on monthly basis to Parliament Library by DGCI&S.

(d) To increase India's share and diversify the composition basket, incentives have been provided under various Schemes, *viz.* Focus Market Scheme (FMS), Focus Products Scheme (FPS), Market Linked Focus Product Scheme (MLFPS) and Vishesh Krishi and Gram Udyog

Yojana (VKGUY). In addition, the government is also signing PTA/FTA/CECA with its trading partners whereby preferential market access is being sought for diversification of both the market and the product.

Attraction of foreigners in retail sector

160. SHRI RAVI SHANKAR PRASAD:
SHRI RAMCHANDRA PRASAD SINGH:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the attraction of foreigners has increased towards the entry into retail market of the country;

(b) if so, the facts in this regard;

(c) whether it is also a fact that during last two years representatives of several foreign Governments alongwith industrial houses have urged Government of India to further open its retail markets, so that they could become operational here; and

(d) if so, the names of such countries and the reasons for the special interest of the foreigners?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) and (b) The existing policy allows for 51% Foreign Direct Investment (FDI) only in single brand retail trade, subject to specified conditions. Since the opening up of this sector in February, 2006, 60 proposals have been approved. Government has received representations and suggestions from trade bodies and investors for liberalizing the FDI regime in the retail sector.

(c) Yes, Sir.

(d) Suggestions in this regard have been received from stakeholders and potential investors from a number of countries, including USA, France, Sweden and Germany. However, no comprehensive list in this regard is centrally maintained.

Under the liberalized economic environment, investment decisions of investors are based on the macro-economic policy framework, economic environment in the host and investing countries, investment policies of transnational corporations and other commercial considerations.

Promotion of industries in rural areas

161. SHRIMATI VIPLOVE THAKUR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government proposes to promote industries especially in rural and backward regions of the country in public and private sectors;