

Policy (FTP) 2009-14 of Government of India aims at accelerating the growth of export of services so as to create a powerful and unique 'Served from India' (SFIS) brand. As per para 3.12 of the Foreign Trade Policy (2009-14), which is available on the website of Directorate General of Foreign Trade (DGFT) at www.dgft.gov.in, incentive is available to providers of specified services in the form of duty credit scrip equivalent to 10% of free foreign exchange earned. With effect from 18.04.2013, the entitlement is on the basis of the net foreign exchange earned.

In addition, financial assistance is provided by Department of Commerce to Services Export Promotion Council (SEPC), Telecom Exports Promotion Council (TEPC) and Electronics & Computer Software Export Promotion Council (ESC EPC) under Market Access Initiative (MAI) and Market Development Assistance (MDA) schemes for promotion of exports. In order to move further in this direction, Services Conclave was organized by Department of Commerce in November, 2013 to discuss issues and bottlenecks hindering export of services from India. Government has decided to make this event an annual feature.

(c) Year-wise figures of incentives in the form of duty credit scrip granted during last 3 years, and exports of services are as under:

Year	Incentives (₹ in crores)	Exports (in US\$ million)
2011-12	1243.40	142,325
2012-13	2004.00	145,678
2013-14 (preliminary estimates)	1431.00	151,475

Source : RBI

Steps taken to stimulate inflow of FDI

1531. DR. K.V.P. RAMACHANDRA RAO:

SHRI GARIKAPATI MOHAN RAO:

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

(a) the role played by Government in investment promotion particularly Foreign Direct Investment (FDI); and

(b) the efforts being made, both through bilateral and multilateral initiatives, to stimulate inflow of FDI into the country?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) Government has put in place an investor-friendly policy on FDI, under which FDI, up to 100%, is permitted, under the automatic route, in most sectors/activities.

Government plays an active role in investment promotion, through dissemination of information on the investment climate and opportunities in India and by advising prospective investors about investment policies and procedures and opportunities. International Cooperation for industrial partnerships is solicited both through bilateral and multilateral arrangements. It also coordinates with apex industry associations, such as FICCI, CII and ASSOCHAM, in their activities relating to promotion of industrial cooperation, both through bilateral and multilateral initiatives intended to stimulate inflow of foreign direct investment into India.

The Government has also set up 'Invest India', a joint venture company between the Department of Industrial Policy and Promotion and FICCI, as a not-for-profit, single window facilitator, for prospective overseas investors and to act as a structured mechanism to attract investment.

Trade with neighbouring countries

1532. SHRIMATI RAJANI PATIL:

SHRI K.C. TYAGI:

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

- (a) the main features of India's trade with neighbouring countries;
- (b) how the trade relations among these countries moved during the last three years;
- (c) the scope available for strengthening trade relations with neighbouring countries; and
- (d) the details of the measures proposed to be taken by Government in this direction?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) India enjoys trade surplus with all members of SAARC comprising Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan and Sri Lanka. Trade between India and China currently stand at USD \$ 65.870 Billion in 2013-14. China is currently the largest trading partner in bilateral trade.