

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) The size as well as the diversity of functions of SBI and other public sector banks make them non-comparable with NBFCs and hence NBFCs do not pose a very major challenge to SBI/other public sector banks. Depositors who patronise banks do so for many reasons including security of deposits, package of services offered like remittances and collection of cheques and other investments, safe custody facilities etc, which are not offered by the NBFCs.

(b) to (d). Do not arise.

[Translation]

#### Reward Money

\*335. SHRI LAKSHMAN SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to increase the reward amount for the persons helping in the arrest of smuggling of narcotics; and

(b) if so the details thereof?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) No, Sir.

(b) Does not arise.

[English]

#### Incentives for Promotion of Exports

\*336. SHRI SANDIPAN THORAT : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have worked out a package of incentives for promotion of exports during the last three years, if so, results achieved thereunder, year-wise and industry-wise;

(b) the new strategy of Government to give further impetus to boosting of exports and the details thereof alongwith the projections for the current year and next two years;

(c) whether the Government propose to introduce suitable changes in the legal framework of the country to bring it on international standard to facilitate promotion of international trade;

(d) if so, the details of changes proposed;

(e) whether the Government have received complaints regarding serious misuse of incentives provided for exports;

(f) if so, the details thereof; and

(g) the action taken against the fraudulent parties?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (g). Efforts to promote Exports is a continuous process which is reviewed from time to time based on, *inter alia*, inter-action with trade and industry. The incentive schemes for export promotion include duty free/concessional duty import of inputs required for export production, duty drawback facility, refund of terminal excise duty, tax concessions on export profits, concessional export credit and Exchange Earners Foreign Currency (EEFC) account scheme. Results achieved are reflected in the sustained annual growth of exports between 18% to 21% in dollar terms over the last three years, resulting in exports during 1995-96 of US \$ 31.83 Billion compared to exports of US \$ 18.4 Billion in 1992-93.

2. Sectors which have recorded significant export growth include engineering goods, electronics, computer software, chemicals and related products, gem and jewellery, textiles etc. Data on yearwise and industry-wise results is contained in the publications of Director General of Commercial Intelligence and Statistics on Trade Statistics which are available in the Parliament Library.
3. Exports are being accorded national priority so as to sustain an annual growth rate of 20% during the 9th plan period. The new initiatives taken in this regard include the setting up of the India Brand Promotion Equity Fund and operationalisation of the Crucial Investment Balancing Scheme. The long term Export Policy for the 9th Five Year Plan will also be formulated to achieve the projected growth in exports. Efforts are also being made to involve State Governments in export promotion.
4. Government is continuously monitoring developments in international trade with a view to meeting the international standards including on matters related to the legal framework.
5. Some complaints have been received alleging general misuse of the Value Based Advance Licensing Scheme relating to non-existence of applicant firms, over invoicing and misdeclaration. Action has been initiated under the provisions of the Foreign Trade (Development and Regulation) Act, 1992 to deal with such cases. Investigations however, have so far not revealed any large scale violation of the incentive schemes under the policy. The schemes are also constantly monitored with a view to identifying anomalies during its implemented and for making amendments wherever necessary.