

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

STARRED QUESTION NO:558

ANSWERED ON:06.05.2013

EXPORT FROM SERVICE SECTOR

Bajirao Shri Patil Padamsinha ;Sukur Shri Jadhav Baliram

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

- (a) whether the exports from the services sector including information technology and software have witnessed a sharp fall in comparison to the export of commodities during the last three years and the current year and if so, the details thereof and the reasons therefor, sector-wise;
- (b) whether the Government has laid down specific policies for the promotion of export from the services sector including outsourcing of the information technology based solutions;
- (c) if so, the details thereof including the policies being followed in this regard and the steps taken/being taken by the Government to boost export from the services sector along with the outcome thereof;
- (d) whether the Government proposes to initiate special scheme to promote the export of consultancy and management services from India and if so, the details thereof and if not, the reasons therefor; and
- (e) whether the Government proposes to involve private sector in any of the aforesaid schemes and if so, the details thereof?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA)

(a) to (e) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 558 FOR ANSWER ON 6TH MAY, 2013 REGARDING "EXPORT FROM SERVICE SECTOR"

(a) No, Madam.

(b) & (c) The Government of India has taken a number of measures to boost export of services. The Foreign Trade Policy (FTP) 2009-14 of the Government of India aims at accelerating the growth of export of services so as to create a powerful and unique 'Served from India' 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 specified service 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 to Services Export Promotion Council (SEPC), Telecom Export 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.

(d) & (e) There is no such proposal at present. The schemes of the Department of Commerce and provisions of the Foreign Trade Policy are applicable to all service providers including those from consultancy and management services and also service providers from private sector. The assistance and incentives are given to all service providers as admissible under respective schemes/policy.