

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

UNSTARRED QUESTION NO:2983  
ANSWERED ON:10.02.2014  
EXPORT OF SERVICES  
Karwariya Shri Kapil Muni

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

- (a) whether there has been a sharp fall in the services sector exports 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 any specific policy for the promotion of the services sector exports including outsourcing of the information technology;
- (c) if so, the details thereof along with the steps taken/being taken by the Government to boost services sector exports and 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**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. E.M. SUDARSANA NATCHIAPPAN)

(a) No Madam, there has not been a sharp fall in the services sector exports as compared to the export of commodities during the last three years and the current year. The relevant data of services exports and merchandise exports of India during the last three years and the current year is as under:

(US \$ billions)				
India's exports	2010-11	2011-12	2012-13	2013-14
(PR) (P) (P) (P)				
April-Sept.				
Services Exports	132.880	142.325	145.67	73.18
Growth in %	38.35%	7.10%	2.35%	3.37%
during the same time Period				
Merchandise Exports	250.46	309.77	306.58	155.14
Growth in %	37.25%	23.67%	-1.02%	5.12%
during the same time Period				
( P - preliminary PR- partially revised)				

(b) & (c) Government of India has taken a number of measures to boost export of services. As per the Foreign Trade Policy (FTP), 2009-14 of the Government of India, all service providers are entitled to Duty Credit Scrip under Served from India Scheme (SFIS) equivalent to 10% of free foreign exchange earned during current financial year. Duty Credit Scrip may be used for import of any capital goods including spares, office equipment and professional equipment, office furniture and consumables; that are otherwise freely importable and/or restricted under International Trade Clarification based on the harmonized system of coding ITC (HS). Imports should however relate to any service sector business of applicant.

In addition, all service exports are also entitled to the benefits under EPCG Scheme and Export and Trading House status, Market Development Assistance Scheme and other benefits

(d) As regards consultancy and management services, a core group has been constituted under the aegis of Services Export Promotion Council to look into this aspect.

(e) The schemes of the Government for promotion of exports in services have a predominant private sector participation.