

(b) whether any mechanism is available with Government to check violation of norms laid down for setting up of EOUs;

(c) whether the instances of EOUs violating the norms laid down for such units have come to the notice of Government; and

(d) if so, the details thereof alongwith the action taken against them during each of the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) Proposals for setting up units under EOU scheme under automatic route are considered by the Unit Approval Committee taking into account the following criteria:

- (i) Residence proof in respect of individual/partnership firms of all Directors/Partners (Passport/ration card/driving licence/voter identity card or any other proof to the satisfaction of Development Commissioner);
- (ii) Income Tax return of all the promoters for the last three years;
- (iii) Experience of all promoters;
- (iv) Marketing tie-ups;
- (v) Inspection of the project site by an Officer;
- (vi) A report from other DCs as to whether any case under EOU/SEZ scheme in regard to diversion of goods etc. is pending.

Further, as per the provisions of Para 6.6(d) of the Foreign Trade Policy only projects having a minimum investment of Rs. 1 crore in plant and machinery can be set up under Export Oriented Unit (EOU) scheme. This condition does not apply to proposals for Handicrafts, Agriculture, Floriculture, Aquaculture, Animal Husbandry, Information Technology, Services, Brass Hardware and Handmade Jewellery sectors. The Board of Approval (BOA) can also allow establishment of EOUs with a lower investment criteria on a case to case basis.

(b) Fulfillment of these criteria is a pre-condition for approval of the EOU. Fulfillment of the investment norms is checked during the joint monitoring of the performance of EOUs by the Development Commissioner and the jurisdictional Commissioner of Central Excise and Customs on bi-annual basis based on the Annual Performance Reports filed by the EOUs which provide the details of investments in plant and machinery.

(c) and (d) As per the available information, no incidents of violation of the minimum investment norms laid down for setting up of units have come to notice.

Impact of super markets on domestic industries

2339. SHRI TARUN VIJAY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is aware of the impact, huge super markets and store chains like Walmart has made on the economy of developing countries who allowed their operations;

(b) what has been the conclusion of Government about their impact; and

(c) whether Government has any plan to rehabilitate/help small retailers who might incur losses and uprootment due to the impact of big money supported huge super markets who are foreign funded?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (c) The Government had instituted a study, on the subject of "Impact of Organized Retailing on the Unorganized Sector", through the Indian Council for Research on International Economic Relations (ICRIER), which was submitted to Government in 2008. The study did not find any evidence of adverse impact of organized retail on intermediaries or of a decline in overall employment in the unorganized sector, as a result of the entry of organized retailers.

Global experience also indicates that organized and unorganized retail co-exist and grow. Economies, such as China, Thailand, Russia, and Indonesia, permit FDI, upto 100%, in the multi-brand retail sector. The ICRIER study *inter-alia* revealed that, in Indonesia, even after several years of the emergence of supermarkets, 90 per cent of fresh food and 70 per cent of all food is still controlled by traditional retailers.

High price of cement in HP

†2340. SHRIMATI BIMLA KASHYAP SOOD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the prices of cement are very high in Himachal Pradesh in comparison to other States and Himachal Pradesh has issued an ultimatum to cement companies for decreasing the prices;

(b) if so, the action being taken against such cement companies and by when the prices will be reduced; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) It is learnt from the Government of Himachal Pradesh that the prices of cement in border areas of Himachal Pradesh with Punjab and Haryana are almost similar. The rates of cement in the interior areas of Himachal Pradesh are higher in comparison to neighbouring States due to high cost of transportation and other taxes.

†Original notice of the question was received in Hindi.