

(b) India and Canada formally launched Comprehensive Economic Partnership Agreement (CEPA) in November, 2010. Eight rounds of negotiations have taken place.

(c) The India-Canada CEPA covers chapters on Trade in Goods, Trade in Services, Rules of Origin, Origin Procedures, Trade Remedies Customs and Trade Facilitation and Institutional Provisions.

Allowing FDI in rural India

3708. SHRI BAISHNAB PARIDA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether it is proposed to allow Foreign Direct Investment (FDI) in rural India;
- (b) if so, the details of the sectors where it is proposed to be implemented;
- (c) whether it is proposed to permit MNCs in retail sector in the country;
- (d) whether a survey in the matter has been conducted;
- (e) if so, the details thereof;
- (f) whether this would not cast an impact on the small retailers in the country; and
- (g) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) The extant FDI policy is applicable throughout entire territory of India.

(c) As per extant FDI policy FDI up to 100% is permitted under the Government approval route in Single Brand Product Retail Trade, subject to specified conditions. No decision has been taken with regards the Multi-Brand Retail Trade (MBRT) policy.

(d) and (e) 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). Stakeholders' views, in response to the discussion paper, have also been considered.

The ICRIER study has projected that both organized and unorganized retail will not only co-exist but also achieve rapid and sustained growth in the coming years. The study also indicates that the growth of organized retail will enhance the employment potential of the Indian economy. Further, it is said that organized retail leads to creation of high-quality, productive jobs, while generating a number of jobs for unskilled labour. As such, organized retail may be expected to lead to an enhancement in the quality of employment, through skill development.

(f) and (g) Government takes into consideration the concerns of all stakeholders including small retailers while formulating FDI policy. Safeguards are put into the FDI policy wherever necessary.

Measures to encourage domestic cotton production

3709. SHRI AVINASH PANDE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the measures being taken by Government to encourage domestic cotton production and the cotton textiles industry, especially in Maharashtra;
- (b) whether Government is taking any measures to encourage exports and/or reduce imports of cotton and cotton yarn; and
- (c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) National Food Security Mission (NFSM)-Commercial Crops (CC) programme, subsuming the Mini Mission-II (MM-II) of Technology Mission on Cotton (TMC), is being implemented (from 2014-2015) in major Cotton growing States, including Maharashtra. Further, the Cotton Corporation of India Ltd. (CCI), as a nodal agency, has been mandated to procure the entire quantity of FAQ grade seed cotton (kapas) offered by cotton farmers in the nominated market yards of various States without any quantitative limit, in the event of prevailing seed cotton (kapas) prices touching the Minimum Support Price (MSP) level. Government is also implementing various schemes like Technology Upgrading Fund Scheme (TUFS), Scheme for Integrated Textile Parks (SITP), Integrated Skill Development Scheme (ISDS) and Scheme for the development of Power-loom Sector, Yarn Supply Scheme for Handloom Sector *etc.* for improving the competitiveness of textile industry, including cotton.

(b) and (c) No fiscal incentive is provided on exports of cotton and cotton yarn as on date. However, these products are entitled to benefits of duty free imports of capital goods and raw materials required for their production and exports. Import of cotton and cotton yarn is permitted freely subject to Basic Custom Duty of 0% and 10% respectively.

Tribunal to settle FDI related disputes

3710. DR. K. P. RAMALINGAM: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether it is a fact that Government is considering to set up a tribunal to settle Foreign Direct Investment related disputes;
- (b) if so, the details thereof;