

(c) and (d) As per information received, a joint venture company has been formed with equal partnership between M/s Bharti Enterprises and Wal-Mart for setting up a wholesale cash and carry operations in select cities in India over a period of time to serve the requirements of business customers. This arrangement is in conformity with the extant FDI policy. An agreement has also been signed between the two parties for availing technical know-how and training to Bharti's retail venture which would be entirely owned by the Bharti Group.

(e) Government has not received any proposal from Wal-Mart for investment in retail trading.

Proposal for virtual special economic zone for handloom clusters in M.P.

†1698. SHRIMATI MAYA SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government of Madhya Pradesh has sent any proposal to the Central Government regarding setting up of virtual Special Economic Zones of the handloom clusters;

(b) whether Government have given their approval for this proposal after considering the same; and

(c) if not by when Government would express their reaction on these proposal together with the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH):

(a) There is no concept of virtual Special Economic Zones and therefore, no such proposal can be considered.

(b) and (c) Do not arise.

Providing benefits to exporters affected by rise in value of rupee

1699. DR. V. MAITREYAN:

SHRI C. PERUMAL:

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

(a) the steps being taken to provide better benefits to exporters due to the improvement of rupee against US dollar;

(b) whether it is a fact that the rupee is on a regular upward trend against dollar in the recent past;

(c) what is the total loss due to this trend for exporters in terms of rupee;

(d) what immediate steps are being considered to give better benefits to export community; and

(e) by when it is likely to be implemented?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (e) Yes, Sir. The Rupee has appreciated against major freely convertible currencies, in particular US\$, in the recent past. Due to this net realization in Rupee terms has been reduced by approximately 13% during last one year. The Committee constituted by Department of Commerce considered the issues relating to appreciation of Rupee and its impact on exports and have recommended a number of measures for immediate relief from the impact of Rupee appreciation. Accordingly, the following measures have been taken by the Government:

- (i) DEPB rates enhanced by 3% for the following nine Sectors and 2% for others *w.e.f.* 1.4.2007 :
 - A. Textiles (including Handloom)
 - B. Readymade Garments
 - C. Leather Products
 - D. Handicrafts including carpets
 - E. Engineering Products
 - F. Processed Agricultural Products
 - G. Marine Products
 - H. Sports Goods
 - I. Toys
- (ii) Duty Drawback rates enhanced by Department of Revenue *w.e.f.* 1.4.2007;
- (iii) ECGC Premia rates reduced by 10%;
- (iv) Interest rate on pre and post shipment credit reduced by 2%;
- (v) Funds provided to clear all pending cases of refund of Terminal Excise Duty, Central Sales Tax, Deemed Export Duty Drawback upto 31.3.2007;
- (vi) RBI has been requested to work on the possibility of making Exchange Earners' Foreign Currency (EEFC) account interest bearing;
- (vii) Ministry of Finance has been requested to immediately finalize and issue the Service Tax exemption/Refund notification in line with the provisions of Foreign Trade Policy.

Expert committee for possible impact of FDI in retail

1700. SHRI SITARAM YECHURY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government have set up an expert committee to study the possible impact of FDI in retail;

(b) if so, the details of composition of the members; and

(c) the findings and recommendations of the said Committee?