

LOK SABHA
UNSTARRED QUESTION NO. 764 (H)
TO BE ANSWERED ON 23rd JULY, 2018

SEZ POLICY

764(H). SHRI RAJENDRA AGRAWAL:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) the salient features of the existing policy for Special Economic Zones (SEZs) in the country;
- (b) whether the Government proposes to revise the laws/provisions regarding the existing SEZs policy or review this policy; and
- (c) if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a): The Special Economic Zones (SEZs) policy was launched in April, 2000. The Special Economic Zones Act, 2005, was passed by Parliament in May, 2005 which received Presidential assent on the 23rd of June, 2005. The SEZs Rules, 2006 came into effect on 10th February, 2006. The salient features of the SEZ scheme are:-

- (i) A designated duty free enclave to be treated as a territory outside the customs territory of India for the purpose of authorised operations in the SEZ;
- (ii) No licence required for import;
- (iii) Manufacturing or service activities allowed;
- (iv) The Unit shall achieve Positive Net Foreign Exchange to be calculated cumulatively for a period of five years from the commencement of production;
- (v) Domestic sales subject to full customs duty and import policy in force;
- (vi) Full freedom for subcontracting;
- (vii) No routine examination by customs authorities of export/import cargo;
- (viii) SEZ Developers /Co-Developers and Units enjoy Direct Tax and Indirect Tax benefits as prescribed in the SEZs Act, 2005.

(b) and (c): Yes Madam, the Government has constituted a group on 4th June, 2018 to study necessary changes in the Special Economic Zones (SEZs) policy. The group is required to submit its report within 3 months from the date of constitution.
